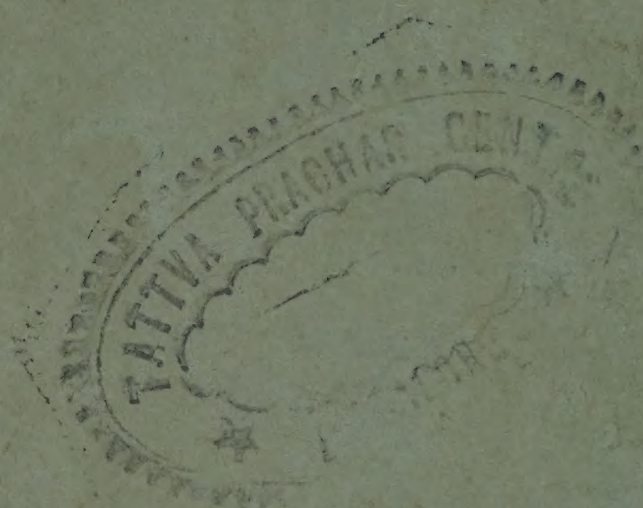


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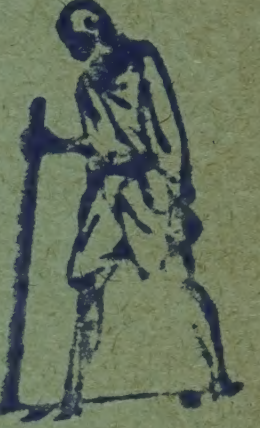
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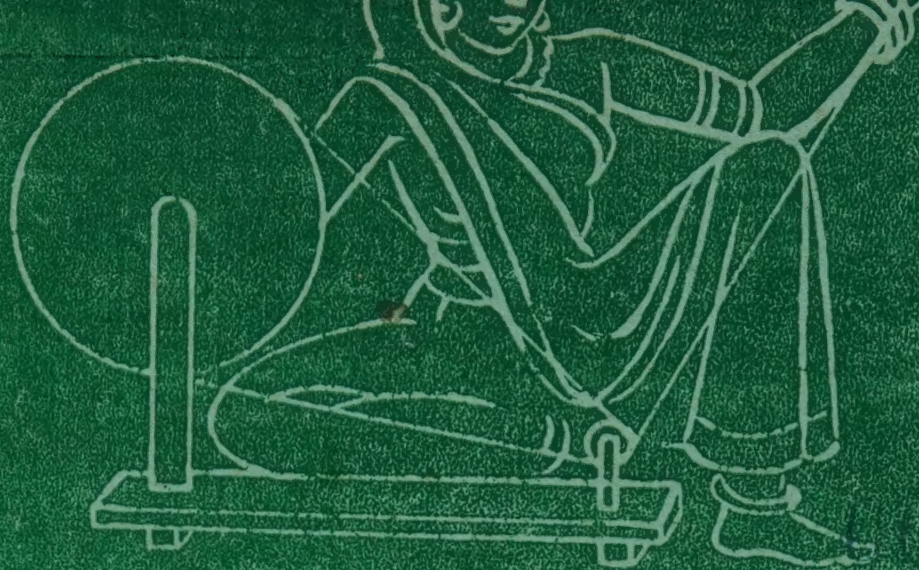




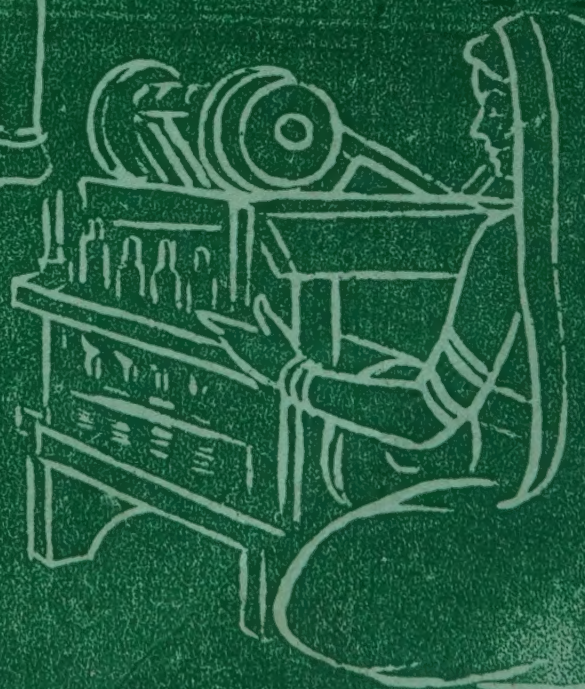
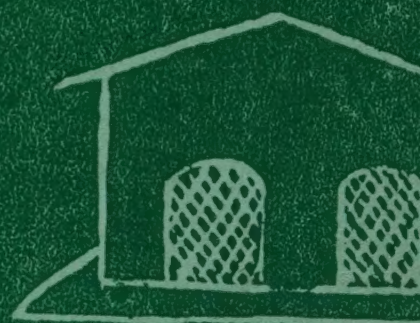




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# KHADI GRAMODYO



**KHADI & VILLAGE INDUSTRIES COMMISSION.**

MISTRY BHAVAN, DINSHA WACHA ROAD, BOMBAY-1.

Vol. 4 : No. 10

JULY 1970



# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

## MEMBERS

1. Shri Vaikunth L. Mehta
2. Shri Pranalal S. Kapadia
3. Shri R. Srinivasan
4. Shri Shriman Narayan
5. Shri Dwarkanath Lele

Chairman  
Secretary

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## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan, organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries.
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.





# KHADI—GRAMODYOG

VOL. 4

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## CONFUSED THINKING

At a recent meeting which he addressed in Bombay, Mr. E. P. W. Da Costa, Editor of "The Eastern Economist" made certain observations which merit more than passing attention. He is reported to have said that : "the economic policies of the Government were often being subjected to political imperatives although they did not necessarily lead to national welfare. For instance, he said, the Ambar Charkha stood like a ghost over any proposal for expansion in the textile industry because the Government felt that the problem of unemployment among the weavers could be solved by resorting to this inefficient but labour-using device. He said that this was done in the name of welfare on the presumption that it would not harm the textile industry on account of the expected increase in the consumption of cloth." (Times of India : 4th July, 1958). These observations contain a

number of mis-statements which are surprising as emanating from one who is in charge of one of the leading financial journals in India and one who is in a position to influence public opinion in matters economic.

In the first place, the Ambar Charkha is an implement for spinning and not weaving. The reservation of a certain portion of the cotton cloth production of the country was recommended by the Textile Inquiry (Kanungo) Committee in 1953 as a measure needed for the full utilization of the capacity of the handloom weaving industry and for the provision of fuller and additional employment for the traditional weaving community. That Committee took the view that cloth production for the Mill Industry should be limited to 5,000 million yards in the larger interests of national economy and not, as Mr. Da Costa alleges, because of political pressure. This was a view



which was concurred in by the Village and Small Scale Industries (Karve) Committee in 1955 after a further examination of the capacity of the handloom weaving industry and an assessment of the potential demand for cloth during the Plan period. Neither of these committees had in mind any programme for the production of yarn with the aid of the Ambar Charkha. In fact, the former Committee recommended the starting of spinning mills for the manufacture of additional yarn required for the handloom weaving industry. The latter Committee refrained from pronouncing any opinion on the potentiality of the Ambar Charkha, but was emphatic about the limitation of cloth production by textile mills as called for in the broader interests of national welfare.

The views of neither of the Committees were likely to be influenced by political considerations. But as Indian economists from the times of Dadabhai, Dutt and Ranade never failed to emphasise, it is impossible to separate economic from political considerations. Unemployment may be looked upon as an economic phenomenon, but the continuance and growth of unemployment has, in any country, large political repercussions. No planning authority, much less a responsible Government, can afford to ignore the effect of such factors. Hence it is that the Planning Commission in its reports, on both the First and the Second Plans, attached special importance to the spectre of unemployment. The expansion of opportunities for employment has been accepted definitively as one of the four objectives of national planning.

It is indeed a matter for regret that publicists should minimize the grave import of this phenomenon in our economy.

There is a certain amount of confusion of thought betrayed in Mr. Da Costa's observation regarding the efficiency of the Ambar Charkha as an instrument of production. Efficiency is a relative term. Judgment has to be formed in the context of various relevant factors. In any event, the efficiency of the Ambar Charkha has no relevance in the determination of the quantum of cloth production to be assigned to the handloom weaving sector. As pointed out earlier, such allocation was contemplated and advocated by bodies of experts without making it dependent on the supply of yarn with the Ambar Charkha. Whether, according to Mr. Da Costa, the handloom itself is to be condemned as inefficient the report of his speech does not specify. Apparently, the Committees referred to above did not take that view. In case that stand is taken, publicists like Mr. Da Costa will have to indicate how they expect to provide alternative employment for the 35 lakhs of persons actually engaged in the industry, apart from an equal number of those dependent on it.

Seemingly, Mr. Da Costa concurs in the view put forward by the textile interests that the delimitation of the production of cloth by mills has harmed the mill industry. It is not clear how any harm has been done as complained of. In the first place, there has not been, since the programme was formulated, any expansion of handloom cloth on a scale such as can affect the cloth market. Secondly, although mill



production was expected to be limited to a figure of 5,000 million yards that limit has been overstepped in 1956 and 1957. If there is any glut in the market, it is due to over production not by the handloom weaving industry but in the mills themselves.

Textile interests and financial journals, such as the "Eastern Economist" are never tired of iterating and reiterating their view that under the Second Five Year Plan the demand for cloth would go upto anything between 20 to 25 yards per head per year. They blamed the planning autho-

rities for fixing the figure at 18 yards, while estimating the national requirement for cloth at the end of the five year period. Today we find that demand is slack and shows such little sign of expansion that a crisis faces the textile industry. Before blaming the planning authorities for the decision to allow for the expansion of the decentralized and non-mechanized sector of the industry, publicists like Mr. Da Costa would do well not only to study facts but having studied them ponder over them and see where actually the blame lies.

- Vaikunth L. Mehta

## THE SOLUTION FOR SLUMS

There has recently appeared in the Press a summary of some of the conclusions arrived at by a Team of Experts constituted by the Committee on Plan Projects to report on the measures necessary to prevent the growth of slums. The increase in the population of towns, -although in the aggregate urban population is less than 18% of the total population of India is attributed by the Team to the influx of the people from villages in search of employment and of better civic amenities. Though it is possible that a few of the village folk who have received education in towns are averse to staying in villages because of the lack of civic amenities, it is not these who constitute the bulk of those who flock to cities.

### The Truth Of The Matter

To talk of civic amenities being hankered after by the large numbers who are attracted to towns and cities in search of work

and food shows inadequate appreciation of the one factor responsible for over-crowding in urban areas. The surplus persons on the land and those whose crafts industrialisation has crushed, who are compelled, by force of circumstances, to leave their villages have no conception of amenities. And when they crowd into towns and cities, it is precious little by way of amenities they get. Many crowd into the tenements of friends and relatives and quite a few have no roof over their heads when they rest for the night. They eat just enough for days on end to keep body and soul together.

### Effect Of Industrialization

The fact is that there is a limit beyond which the land cannot support people ; and that limit has been reached. On the one hand, we have had during the last three decades a steady increase in our population both rural and urban. On the other, the



increase in the area under cultivation has been insignificant and the increase in the area under irrigation is on a scale and at a pace which has not led, so far, to any appreciable expansion of opportunities for employment on the land. Alongside, in this period, we have had in our midst industrialisation of a type which, while it may have provided employment for thousands has deprived lakhs of the livelihood they derived from the rural crafts and industries.

### What Else Can Be?

The "self-employed persons" - as categorised in the Census returns - can scarcely support a rapidly growing number of "earning dependents" and much less "non-earning dependents". When persons belonging to the latter two groups trek to towns and cities with hardly any resources of their own and with housing accommodation and civic amenities strictly limited, what else can we have but slums spread out here, there and everywhere, producing insanitary conditions which beggar description. Not the most miserly ill-kept village presents such a sad sight.

### No Real Solution

Transfer of industries to rural areas is one of the measures advocated by the Team. That may help a little. But it is doubtful if the established units can be induced to move out. Future expansion, however, can be stopped. But a glance at the figures of the growth of population and of the

number of factory workers in a city like Bombay or Ahmedabad is enough to show the small proportion of the immigrants for whom factory industries find employment. Even if all industries can be moved out from large towns and cities, the total numbers involved will be much less than the growth of urban population in the last decade. As the break-up of the opportunities for additional employment to be created under the Second Five Year Plan indicates, the numbers who will get work in large scale industries will be less than 10 lakhs. The numbers who resort to towns and cities from the rural areas are much larger.

### To Stop The Trek

If the trek is to be checked it is essential that work has to be found in the countryside itself for much larger numbers. It is obvious that the land can scarcely sustain many more than it does today. On Public Works, employment may be found for some. But if the process of immigration is to be checked, an all-out effort must be made to revive the traditional village industries, and to expand and develop them so as to increase the quantum of consumers goods, first for use in the villages themselves and, then, to meet the growth in the requirements of urban areas. It is only then, by cutting the evil at its roots, that we shall succeed in preventing the accentuation of slum conditions in towns and cities.

- Vaikunth L. Mehta  
 ("Jagriti" : 26-6-58)

## CLOTH EXCISE CONCESSIONS

For the third time within eight months the Government of India has responded to

the clamour of the textile mill industry by announcing substantial concessions in the



rates of excise duties leviable on coarse and medium varieties of cloth produced by it and on cloth produced by the powerlooms. The latest relief would, it is said, come "as close as practicable" to an *ad valorem* levy because of the introduction of differential rates on processed varieties over and above a basic rate. But the millowners are not satisfied. A spokesman of the mill industry declared that the concessions were "inadequate" and would not help solve the crisis. But then, when have they ever shown any spirit of accommodation?

The concessions on excise duties were announced on July 3, following the unanimous interim recommendation of the Textile Enquiry Committee. The Committee was appointed towards the end of May "to examine the various problems now confronting the cotton textile industry, which have resulted in the accumulation of stocks, decline in exports and curtailment of production." The circumstances leading to the appointment of the Committee are well-known. It followed pressure from the textile industry and trade for larger and larger reliefs to get over the crisis of accumulation of stocks and to avert closure of mills some of which had closed down, while others were threatening to do so.

How this crisis developed has been the subject of public discussion and controversy and we have, on a previous occasion, pointed out that a large part of the blame for "the crisis of accumulation of stocks" of mill cloth must lie with industry and trade. To refer to only one aspect, the crisis has been accentuated by a progressive switch-over by

the mills to the production of coarse and medium varieties of cloth during the past few years, particularly since 1957. This switch-over naturally adversely affected the handloom industry which was also caught in the coils of the crisis.

When the Government of India announced concessions in excise duties in March this year, it also responded to the cry of the handloom industry for relief by enhancing the rebate on sales. A similar concession has not followed the announcement of the present concession to the mill and powerloom sectors. Without such concessions, it is likely that the handloom industry will be further hit. As Shri C. Subramaniam, Madras Finance Minister says: "It had been found from experience that whenever a concession was made to mill cloth like the reduction of excise duty, it had adversely affected the handloom industry...Reservation of certain categories of production for the handloom industry like coloured saris and bordered dhoties was the only lasting solution for the problems of the handloom industry." In other words, a rational approach to the problem of cloth production programme alone can save the textile industry from internal competition and crisis.

If the Textile Enquiry Committee did not make any reference to the handloom industry in its interim recommendation, it was because the handloom industry was kept outside the purview of the enquiry. At the time the appointment of the Committee was being discussed, the spokesmen of the handloom industry had demanded representation on the Committee so that, in the



consideration of the crisis and ways out of it, the position of the handloom industry would also receive adequate understanding attention. We, too, had pleaded for it. This, however, was not done. In what manner the concessions now announced in favour of mill and powerloom cloth will affect handloom production and marketing of accumulated handloom cloth deserves to be carefully examined.

It is understood that representatives of the handloom industry met week of July in Madras to consider the effect of the present excise duty concessions on the industry. While they have kept their counsel to themselves, there was uneasiness and the feeling that the situation called for utmost vigilance was evident. They felt that they should await the final recommendation of the Enquiry Committee before a considered opinion is expressed. It will, however, be true to say that, in the absence of further compensatory relief, there is likelihood of an accentuation of the crisis in the handloom industry,

There is an aspect of the crisis in the textile industry which has not received adequate attention. (Indeed, it has been ignored in all the discussions about the crisis. It is an intensely human aspect. Way back, in 1930, when the country was in the midst of a political upheaval, the Swadeshi spirit reached its highest watermark. The national movement turned its attention to make the textile sector wholly Indian by eliminating all foreign influences and controls, on the one hand, and to promote the handspinning industry by providing to it stable conditions of develop-

ment, on the other. Negotiations started and the textile mill industry and the National Congress came to mutual agreement which gave to the Indian mills a position of virtual monopoly of domestic production and market. Under this agreement the mill industry agreed not to produce *coarse cloth*, that is cloth from yarn below 18's counts. This was obviously a measure to promote the handspinning sector.

This was not conceived as a passing phase. It was intended to be an integral part of the textile production programme. The mills have gone back on this agreement by progressively taking to the production of larger and larger quantities of *coarse cloth*. This course adopted by the mill industry is violation of the spirit of the agreement. What this meant to the country can be gauged from the extent of human misery in the countryside. There is no excuse which can justify the callous attitude of the mill industry. Is it any wonder then that that has boomeranged on itself? A spokesman of the mill industry commenting on the excise concessions, confessed that crisis of accumulation of stocks is due to the absence of purchasing power with the people. The glut in the market is in coarse and medium varieties which are the varieties consumed by the masses.

But he is not concerned with the vital problem of how purchasing power can be injected into the masses. He is, it would appear, concerned only about the profits of his industry. This is obvious when he demanded the restoration of the position as it existed in 1955-56, which means an outright cut of nearly 50 per cent in the existing



duties. He averred that in 1955-56 the amount paid by way of duties by textile industry came to about Rs. 28 crores as against Rs. 53 crores today. This could lead to reduction of cloth prices. And the industry could be saved! Can any industry which is motivated only by considerations of its own gain and not by the larger outlook of the prosperity of the people ever hope to enlist public sympathy?

Be that as it may, any piece-meal treatment of the disease that has come over the textile industry in the country cannot pro-

vide a lasting solution to the recurring crisis of one sort or another. The problem has to be tackled in a more realistic and rational manner. We have often suggested that an integrated approach to the problem of cloth production in the country is necessary and that a rational common price policy should be followed along with reservation of varieties and sorts to the different sectors of the industry. Is it too much to hope that such an approach will emerge as a result of the labours of the Textile Enquiry Committee?

("Jagriti" : 10-7-58)

## PROMOTE KHANDSARI SUGAR

Towards the end of last week Government of India announced their decision to promote exports of sugar and have fixed the quota for the current year at 50,000 tons. With a carry-over of about 4.5 lakh tons from the previous year and an estimated production of about 19.75 lakh tons during the current year, they consider that the domestic availability of sugar is satisfactory enough to allow some exports.

There are, however, many difficult problems confronting exports of Indian sugar. Among these the most important is the disparity in the prices of Indian and other sugar. While the average price of sugar in the world markets is around Rs. 415 per ton Indian sugar cost Rs. 746 per ton. Naturally, Government will have to forgo the present excise duty on sugar which works out to about Rs. 290 per ton and also the cess on sugar cane which works out to Rs. 50 per ton. There will thus be a considerable loss in revenue to Government ;

but whether or not the exports will fetch any compensatory foreign exchange is not an easy question to answer. Nevertheless, the effort is in line with our search for foreign exchange to meet the needs of the National Plan.

There has been a bumper crop of sugar cane this year, particularly in the leading sugar manufacturing countries of the world such as Cuba and Brazil. As against an output of 23.7 million tons of cane sugar in 1955-56, and 26.8 million tons in 1956-57, production in 1957-58 is estimated at 28 million tons. Together with beet sugar production of which has increased from 16 million tons last year to 18 million tons this year, total availability of sugar has gone up from 43 million tons to about 46 million tons. No wonder then that prices in the world markets are downward. It is in these conditions that the Indian Sugar Mills Association has to arrange to sell high priced Indian sugar abroad—a task which is by no means easy.



From the point of view of the nation's own needs, it might appear strange that we should consider exports essential. The per capita consumption of sugar in this country is one of the lowest in the world averaging less than 30 lbs. of which only a little over 18 lbs. is mill sugar. This, by any standard, is inadequate. The Nutrition Advisory Committee has recommended that the minimum per capita intake of sugar should be 45.6 lbs. in order to maintain the health of the nation. The Planning Commission has set the target of per capita consumption at 69 lbs. by the end of the Second Plan period. Even this compares unfavourably with per capita consumption in other countries as will be evident from the following table:

S. No.	Name of Country	Per capita consumption in 1955
1.	Australia	119.7 lbs.
2.	Denmark	115.3 lbs.
3.	Irish Republic	101.0 lbs.
4.	Netherland	101.9 lbs.
5.	New Zealand	116.0 lbs.
6.	United Kingdom	108.0 lbs.
7.	U. S. A.	93.5 lbs.
8.	Sweden	96.1 lbs.

The importance of sugar to man consists in its Carbohydrate content. Carbohydrates are essential for the proper functioning of the human system. This is supplied in a ready form in Jaggery (gur) and Khandsari sugar.

The bulk of the sugar consumed in this

country consists of varying grades of gur. Ordinarily, India cannot afford to export such an important item of the diet of the people, especially when it is already in short supply within the country. But the crisis in foreign exchange resources which threatens to hold up our National Plan in several directions, reminds once again that "planning without tears" is a myth, on the one hand, and, on the other, makes it imperative on us to find ways and means of earning this scarce resource. Various schemes of export promotion are being hammered out. The slogan today is "export or perish". But sugar is a consumer commodity. It is essential for promoting national health. It is already in short supply. Unless, therefore, export quantities are replenished for domestic consumption through other sources, our anxiety to save the plan may lead to more injurious consequences.

Happily, however, export of mill sugar need not necessarily make availability of sugar for domestic consumption scarce. Already in the consumption of sugar, gur of varying grades is predominant. It is possible to offset the shortage of internal sugar supply due to export by incentives to intensive cultivation of quality canes and by promoting production of Khandsari sugar. Therefore, it is desirable that active steps should be taken to augment sugar supply for internal consumption through the development of the decentralised sector of the industry.

Though the various measures of assistance provided by the Khadi and Village Industries Commission during recent years resulted in the production of better



varieties of gur they have not acted sufficiently efficiently to bring stability to the industry. Being hygroscopic, storage and preservation of gur in its final form pose a number of problems. In the absence of a ready market which can take over all the gur at reasonable price, gur prices are subject to wide fluctuations. It is well known that the gur production is a village and a cottage industry. Those engaged in it are generally the cane growers who are poor and resourceless. Wide price fluctuations in gur prices, therefore, often place them in a helpless situation. To stabilise gur prices of different varieties, the Commission suggested the development of Khandsari because, apart from its being a better sweetening agent, it provides a bal-

ancing element to the price structure. When prices of gur tend to fall, producers convert *rab* into Khandsari and realize a comparatively larger return. The *rab* left over from the manufacture of Khandsari has moreover a market of its own. Thus, if sugar made by the mill is exported in increasing quantities, it is probable that the decentralized sector of the industry may find a real incentive to expand and develop to supply the domestic market larger quantities of both better gur and Khandsari sugar and thus provide the opportunity for the industry to grow and get stabilised. As it is, both gur and Khandsari are popular with the people who would prefer to have these to the white mill sugar.

("Jagriti" : 3-7-58)

## NON-EDIBLE OILS AND SOAPS

A remarkable feature of the Third All India Non-Edible Oils and Soap Industry Conference held in Poona on June 8, 9 and 10, this year is that it has drawn eminent scientists, research workers and oil technologists. This is symptomatic of the progress made by the Industry during the last three or four years.

Production of non-edible oils and manufacture of soaps out of them is a new development in industrial activity in the country. Though the availability of non-edible oilseeds in limitless quantities was known for a long time, efforts at their utilisation for industrial purposes have however been extremely limited. Only a small fraction of available resources in this important industrial raw material is

being utilised. The reason for this, perhaps, is that these resources are dispersed far in the countryside. Distance, difficulty in organisation of collection of oilseeds and transport problems must have acted as powerful deterrents against their utilisation by organised industry which is concentrated in large towns and cities. But this should be no excuse for the wastage of essential edible oils which go into avoidable industrial purposes.

It is well-known that the people of India do not get adequate quantities of edible fats with their food. Per capita consumption which should be two ounces of these fats per day to meet minimum nutritional requirements, is today less than 0.5 oz. There is thus a great



gap which aggravates the health problem in the country. Though this fact has been recognised, it is regrettable that no serious efforts have been made so far to release the edible oils from industrial uses for the consumption of the people. It is estimated that something like 1,60,000 tons of edible oils are utilised for industrial purposes. Of this, nearly 70,000 tons are used in the soap industry alone. It is now known that all this quantity of edible oils can be diverted for the consumption of the people as qualitatively like oils can be obtained from non-edible and other minor oilseeds. The Poona Conference, it is gratifying to note, has endorsed this view.

Dr. Venkatraman of the National Chemical Laboratory, in fact, averred that "by using non edible oils for Soap-making and other industrial purposes, much of the edible oils can be used for food. The average consumption of it is very low in our country". He also said that the research programme under way at present in the National Chemical Laboratory included the exploration of various non-edible oils and in finding out their industrial utility. He said that technical research should not be confined to large scale industries only, but should benefit village and cottage industries as well "I am very glad to state that the National Chemical Laboratory is very happy to cooperate and undertake extensive programmes which would include scientific and technological aspects".

Hitherto research and experiments with non-edible oilseeds and oils were confined

to institutions which were interested in the promotion of this industry in the villages. These researches and experiments have produced certain valuable results in the processing of a variety of these oilseeds and oils. For example, in Kora Kendra, Ekhatpur and the Khadi Commission's Research Institute at Wardha, Neem, Khakan, Pisa and other oils have been treated. Some of the results achieved have astounded even scientists.

Now that the National Chemical Laboratory has come out with the assurances of whole-hearted co-operation in this work, it is necessary that these various research activities should be coordinated in a manner that will produce quick results and thus help in the standardisation of soap oils. Such a standardisation will necessarily strengthen the campaign to release edible oils from industrial uses. The Advisory Committee that the Commission has appointed is already engaged in the working out of standard specifications for the guidance of the different soap units. The working of the schemes for the promotion of non-edible oils and soap industry has gone on for a sufficiently long period for the industry now to embark on the production of standard quality soaps. The Conference took cognizance of this and called for steps in the direction of quality control.

The progress report presented to the Conference showed that at the end of 1957-58, 161 centres had started production. The quantity of soap produced by these centres was nearly 26 lakhs lbs.—a creditable performance, indeed, considering the



nature of the industry and the hazards in its development. The report, however, does not show how much of the edible oils were used, or how much of the non-edible oils used were directly crushed by the oil crushing units attached to the soap industry. Such information in progress reports will help to project the potentialities of the industry more emphatically. Since certain types of non-edible oils have been found to be good substitutes for edible oils going into the manufacture of soaps, it should be possible for the non-edible oils and soap industry to organise supplies of these substitute oils and thus eliminate completely use of edible oils in the manufacture of soaps. It is to be hoped that this very important aspect will be taken note of by all concerned.

Among the different aspects of the industry discussed during the Conference was the importance attached to the manufacture of by-products whose proper exploitation could contribute to the stability of the industry and help it to reduce production costs. Important as by products of the industry are in strengthening its economy, the question whether the time has come to concentrate attention on this aspect has to be considered. Exploitation of by-products of this industry

can arise only when the industry is sufficiently widely organised and stabilised and when organisation for efficient collection of non-edible oilseeds in very large quantities and for their conversion into oils has advanced sufficiently extensively. From the progress report it is found that in seed collection only 20,000 persons found work during the last season. According to one estimate employment potential in this work alone is of the order of 12 lakhs. It should, therefore, be evident that much leeway has to be covered before problems of by-products are tackled. Though explorations and experiments in the direction may go on side by side with the development of the industry, undue attention to "by-industry" at this stage might land us in mistaking the trees for the wood.

Going through the reports and papers presented to the Conference, however, one gets the feeling that the industry has taken roots and given adequate operative facilities, on the one hand, and an organisation for efficient collection of oilseeds, on the other, it should be possible to make this sector of the industry a significant contributor to the economy, for, this industry is based on the utilisation of resources so far wasted and thus produces wealth from waste. ("Jagriti": 19-6-58)



# MUSINGS OF THE MONTH

( BY THE EDITOR )

Of late the idea that villages should be urbanised and cities ruralised is sought to be propagated. It arose out of the growing disparities between the two sectors of life and economy in this country. On the surface, the idea is plausible. In substance it completely ignores the reality of the present conditions. Urbanisation of villages requires a high stage of development and secondary industries should have developed to the extent that they could act as feeder lines to urban industries. Ruralisation of urban cities would indicate a union, if not an integration, of the economies. The fact is that this has not taken place in the country, nor are the trends moving in that direction. What has actually taken place and is taking place, is that immigrant rural labour has been consigned to stinking slums and to squalor and disease. There is, in fact, as great an abyss between the two sectors of life and economy today as there ever was. Every effort to level up this has met with stout opposition from the protagonists of urban industry. The latest outburst which once again illustrates the point, has come from Mr. E.P.W. Da Costa. He is considered to be an eminent economist and belongs to circles that are able to influence policies and policy decisions. As the Editor of the "Eastern Economist" which has the reputation of being a leading financial journal of the country, his views obviously are taken seriously.

Speaking before the Forum of Free Enterprise in Bombay the other day, he indulged in some gratuitous comments on efforts at rural development, particularly the Ambar Charkha Programme. He said "that the economic policies of the Government are often being subjected to political imperatives although they do not necessarily lead to national welfare. For instance, the Ambar Charkha stands like a ghost over any proposal for expansion in the textile industry, because the Government felt that the problem of unemployment among the weavers could be solved by resorting to this inefficient but labour-using device. This is done in the name of welfare on the presumption that it would not harm the textile industry on account of the expected increase in the consumption of cloth."

## **Ghost Indeed !**

Mr. Da Costa, in other words, denies to the Ambar Charkha the claim made for it and attributes the national acceptance of the charkha to political imperatives or political pressure. Other people like him have time and again said the same thing in a different way. They called the programme a concession to Gandhian fadists. Champions of the textile mill industry also condemned the Ambar Charkha as a primitive instrument. Mr. Da Costa has joined the chorus by dubbing the programme as a concession to political



pressure. If all this is true, it should appear strange why they should all attach so much importance to a programme which, on their own admission, cannot be a competitive factor of any significance. Yet Mr. Da Costa proclaims that "the Ambar Charkha stands like a ghost over any proposal for expansion in the textile industry."

### **Wasted Opportunity**

The Ambar Charkha came on the textile scene only two years ago. The textile mill industry is over a hundred years old. Particularly since the close of the 1st World War that sector has made phenomenal strides and has had a virtual monopoly of domestic production and supply, thanks to the political resurgence and the Swadeshi spirit it generated. Not only that. Because of the conditions created by the Second World War our textiles even entered the export market and had captured a sizable bit of it. There were no restrictions in those years on the textile mill industry or against any programme of expansion, renovation or reconditioning. Those were years of excessive profits for the industry. Why rationalisation, renovation or expansion was not resorted to then remains a mystery. If a prudent and patriotic investment policy had informed the working of the textile mill industry, there should have been no unit which should either be uneconomic or obsolete today. Is there any wonder, then, that, Shri Gulzarilal Nanda said that obsolete mills will have to close down.

### **Absurdity Of It All**

Obviously those profits were ploughed into private vaults or frittered away in speculative adventures. And the industry

itself is looked upon, by and large, as a speculative enterprise. For an industry worked only for the profits it brought without consideration for its consolidation, there should be no excuse now to say that this or that factor interferes with its expansion and rationalisation. Due to its own follies and inefficiency, it has been steadily losing the foreign markets for Indian textiles and is becoming a drag on the economy and a road block to national progress. In order to cover up its own sins of commission and omission, its protagonists have found in the Ambar Charkha a convenient fantom and they hold it up, as Mr. Da Costa does, as a "ghost" which threatens the textile mill industry. It does not require extraordinary intelligence to see the absurdity of it all.

### **Untenable Charge**

Everyone knows that the Ambar Charkha programme was decided upon neither as a concession to Gandhian fadists or to political pressure. The Ambar Charkha was subjected to every possible technological and economic tests before it was admitted into the textile programme. Even today the Programme is not a determined production programme, but continues to be an experimental one the size of which is to be determined each year. If there has been any deterrent to the production by textile mills it certainly is not due to the Ambar Charkha. The considerations are other than this. Where necessary, has not the Government of India been liberal in sanctioning licences for new spindles and new automatic looms? Some three years ago, the Government of India issued licences for additional three million spindles for the textile mills.



Even half this number has not been installed. What happened to the rest of the licences is not known. Yet there are people like Naval H. Tata who would declare with impunity that the "requisite machinery and additional spindles would not be granted by the Government."

But let us not digress. To return to Mr. Da Costa. He says; "You know that in the first two years of the Plan the Ambar Charkha stood like a ghost over new textile plants. To obtain a licence for expanding cotton textile industry was to expect the greatest favour from the Government of India. It was argued that there was a great unemployment problem. Since there was great unemployment problem, inefficient, but nevertheless labour using methods of production had to be used. The best method through which employment will be given will be from Ambar Charkha. In the name of welfare, there was set in motion a policy to restrict production in the private sector, in factories, thereby increasing the price of cloth and at the same time Government expenditure was increasing with provision, I think, of Rs. 240 crores for Ambar Charkha for the whole period of the Plan." The entire statement is a tissue of fallacies. It is enough to point out how people of the standing of Mr. Da Costa can be so frivolous as to indulge in such fantastic statements. He says that a sum of Rs. 240 crores has been provided for the Ambar Charkha Programme! The expenditure on the Ambar Charkha Programme at the present rate may not exceed Rs. 30 or Rs. 31 crores at the end of the

Second Plan period, which by any measurement is a long, long way behind Rs. 240 crores. That an economist of Mr. Da Costa's standing should have indulged in such exaggeration is indeed deplorable. But economists of his type seldom learn anything and therefore are apt to forget nothing.

### **Candid Exposure**

Of them Prof. John Kenneth Galbraith says :

"A very much larger number Indian economic leaders than Indian Marxists look for guidance to the sophisticated economic theory of the West. To be in communion with this doctrine is a mark of scholarly achievement. No great store is set by its modification and adaptation to the Indian experience. As a result, an astounding proportion of the economics that is taught and discussed in India has little relevance to Indian problems. Indeed, some of the more refined theoretical models discussed are not notably relevant to the Western communities where they originated".

When such economists occupy positions of influence and leadership, there is every possibility of our plans becoming not only unrealistic but going awarr. This is a danger against which the nation should be warned and protected. When people like Mr. Da Costa talk about "inefficient" tools as "ghosts" that frighten frankenstein monsters like textile mills, one can imagine why it is being done. We shall not say that it is blackmail. Nor need we presume that he is uninformed. Let Dr. Gunnar Myrdal answer him in a language he understands and uses.



"The distinction between the factors that are economic and those that are uneconomic," says Dr. Myrdal, "is indeed a useless and non-sensical device from the point of view of logic and should be replaced by distinction between relevant and irrelevant factors or more relevant and less relevant."

### **"The Vicious Circle"**

Students of economics interested in problems connected with underdevelopment and development are familiar with the theory of "the vicious circle." Prof. C.E.A. Winslow in his book "The Cost of Sickness And The Price of Health" says: "Poverty and disease formed a vicious circle. Men and women were sick because they were poor. They became poor because they were sick and sicker because they were poor." Prof. Nurkse has enlarged on this. He says:

"The concept implies, of course, a circular constellation of forces tending to act and react upon one another in such a way as to keep the poor country in a state of poverty. Particular instances of such circular constellation are not difficult to imagine. For example, a poor man may not have enough to eat; being under-nourished, his health may be weak; being physically weak, his working capacity may be low which means that he is poor which in return means that he will not have enough to eat and so on. A situation of this sort applying to a country as a whole can be summed up in the trite proposition: a country is poor because it is poor."

The mainstay of the Indian economy continues to be agriculture. Over 80 per cent of the population live in the villages and over 70 per cent are dependent on

agriculture for their livelihood. The population continues to increase at a dangerous pace every year. Correspondingly cultivated area does not expand and even if all the multi-purpose river projects materialise, the net addition to agricultural land will bear no proportion to the number of people depending on agriculture for their livelihood. There is continuous increase in the pressure of the population depending on land. Naturally, return from the land is not sufficient to sustain the people depending on it and agriculture itself becomes uneconomic and deteriorates. The result is that poverty increases. With the increase of poverty there is starvation. Starvation leads to sickness. Sickness leads to debility. Debility results in inaction. Inaction works against progress. And so "the vicious circle" moves.

### **The Real Problem**

Thus we see that the real problem that has to be tackled is the problem of the 80 per cent of the population which is poor and underfed. This problem has been very tritely stated in the report of Department of Economic and Social Affairs of the United Nations on "Processes and Problems of Industrialisation In Underdeveloped Countries". The report says:

"In the circumstances prevailing in underdeveloped areas, the raising of average levels of living is less a matter of effecting large increases in the incomes of a small minority in the community than of ensuring a steady, if smaller, increase in incomes of the majority. In most of the less developed countries, this majority is large and rural working on agricultural tasks in which its marginal productivity is extremely low. In such countries, the raising of average productivity is the prime task of economic development. Initially and to a large ex-



tent this must be undertaken in the agricultural sector itself. In many cases the diversion of under-employed rural labour to other occupations is an urgent requirement for development. Even when its productivity in the new tasks is lower than that normally found in comparable tasks in the more advanced countries, it is likely to be or in a comparatively short time become appreciably higher than it was in agriculture. In such circumstances secondary industry becomes an important means of development. It should be borne in mind, however, that the whole social and economic organisation of an underdeveloped country has, in the course of time, become adjusted to the low efficiency of its factors of production. Hence any attempt to speed up the process of industrialisation must be multi-pronged affecting to a greater or less extent each element of the country's social and economic life."

In other words,

"the essence of economic development lies in the movement of factors very less productive to more productive forms of activity. For the most part the less productive activities are of an agricultural nature, but where they take elementary industrial forms the process is no different. In the long run, the factors will tend to move from the less efficient cottage industry to the more efficient factory, but in the short run the effect of social and economic frictions, shortages of capital and skill for their immobilities and so on may well be to force village handicrafts workers into agricultural activities of even lower social productivity. As this would not only be industrial retrogression, but also the occasion of considerable distress, there might be some justification in protecting the cottage industries while attempts are made to raise their productivity and to facilitate the employment of

handicraftmen into more productive larger scale secondary industry. The faster the economy is expanding, the less difficult is the process of adjustment likely to be".

### **The First Tasks**

We presume that Mr. Da Costa will admit that India is still, for all its textile mills and other factory establishments, an underdeveloped country. We presume also that he will admit that agriculture continues to be the mainstay of the economy, that pressure of population on land has exceeded the saturation point by long lengths, that this pressure has contributed and continues to contribute to aggravate the poverty of the people and that they are driven to sub-human standards of life and living. Can he, then, deny that the first tasks must concern the diversion of people from land and agriculture to other occupations and activities? It follows that non-agricultural economic activity should be such as to enable the excess agricultural population to move from the less efficient to the more efficient industrial production and thus create the conditions in which an industrial bias will grow and with it the desire for better and more efficient skills.

### **Seeds Of Growth**

The Ambar Charkha is an improvement on the traditional Charkha and is technologically a more efficient instrument of production. This has brought an element of stability and assurance to the cottage spinner. This is what is happening in the case of every village industry and craft which have been taken up for development. To nurture this element to grow is a sure method of breaking "the vicious circle" created by the textile mill industry. Let



us see how. The rise of the spinning mills rendered millions of home spindles, namely the Charkhas completely idle. The weaving mills dealt a heavy blow to the vast handloom weaving industry in the country. And the coming of the composite spinning and weaving mills further crippled the handloom industry. Millions of people were employed in handspinning and handweaving in the country. These millions have been deprived of their occupation and, therefore, of their means of earning. Deprived of earnings, they have been left without purchasing power and have been forced down the economic ladder with the result that potential producers and consumers have been compelled to live sub-human lives.

### Some Home Truths

Though the Ford Foundation Team which inquired into the problems of the Small-Scale Industries and the marketing of their products, declared that India provided the largest single potential market in the world, the fact remains that the country is not able to absorb whatever industrial production there is. Such is the state of poverty in the country. Poverty cannot produce wealth, and an impoverished people cannot provide the market. For the production of wealth and the expansion of the internal market industrial development of a different type than that envisaged by economists like Mr. Costa is necessary. In this context, Mr. Richard B. Gregg says:

"There are 11 crores of idle agricultural workers in the country. Now

multiply the wages lost by the idleness of a single agricultural worker for three months (Rs. 78) by the total number of agricultural cultivators, namely, 11 crores. That gives the staggering sum of over 860 crores of rupees. This measures in part the economic burden of the Indian agricultural unemployment every year. It does not count the city or factory underemployment or unemployment; only that of the rural areas. The real economic burden is greater because the values created by manual labour are greater than the mere wages. If we divide that sum among the present 390 million population it would be the equivalent of a per capita tax of about Rs. 22. It is over one and a half times the total revenue of the Central Government in 1956-57, over three times the total working expenses of the Indian railways in 1956-57. It is more than 13 times the total value of all the products and by-products of the Indian cotton textile industry in 1958. The dreadful amount of this unemployment or underemployment cannot be taken care of by industrialisation, especially since the first 10 or 15 years of that process has to be devoted to heavy industry and the factories that might employ many will have to largely wait. The economists and business men who keep telling Indians that industrialism is the only way to prevent unemployment and "take the labour off the land" simply do not realise what the Indian conditions are. Does not all this make Gandhi's programme of Charkha seem more sensible? It is vastly less expensive than industrial machinery, takes very little training, relieves the problem promptly, avoids foreign indebtedness and deficit financing and inflation..... How then may they object to the Charkha?"



# THE GANDHIAN ECONOMY

(By NANCY KENNEY KANNAPPAN)

Among the forces conditioning Indian thinking on economic planning has been the influence of Mahatma Gandhi. While his importance in the freedom struggle is acknowledged, his contribution to economic thought is too often lightly dismissed or uncritically worshipped. It is my purpose to present the outlines of Gandhi's socio-economic ideas, their limitations and possibilities, and in particular their relevance to economic development in India. \* We are then in a position to see the impress of Gandhi's ideas on recent economic planning aims and activities in India.

Gandhi's socio-economic thought is most obviously an expression of his personal character and background and of his leadership of the Indian independence movement. Gandhi's leadership stressed non-violent political action, supplemented by his "Constructive Programme". The benefits of this programme to the masses were directly related to the aim of building up effective mass strength, with a symbolic unity of the elite and the masses, for the non-violent struggle for independence. In this context, the programme could not depend on (British) legislative or large financial

requirements. Rather it depended on voluntary moral inspiration and self-sacrifice for the larger goal. Further, it was allied to a reassertion of traditional Hindu civilization, to be purged of any abuses through revolutionary moral reform, as against imitation of Western industrial civilization. And it was accompanied, under Gandhi's judicious application, by a multilateral Congress appeal to a variety of other interests including capitalists and landlords, aimed at nationalist unity.

But the Constructive Programme and Gandhi's more general socio-economic thought had a much wider significance. In time, they became the foundation for a school of "Gandhian economics". This has been more a social and political than an academic force, its active adherents being either political Congress leaders or the Gandhian "constructive workers" devoted to implementing the Constructive Programme. To adherents of this school, Gandhi's ideas represent a set of "absolute" socio-economic principles for the reconstruction of the economy of free India. But in less absolute terms, Gandhi's ideas have a more vital significance in their relevance to economic development in India. However, along with these potentialities, a study of Gandhi's own statements reveals also many

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inconsistencies and difficulties of implementation, permitting divergent interpretations.

### Foundations Of Gandhi's Approach

The foundations of Gandhi's approach are :

- (a) decentralization - of economic activities and of power, a pluralistic society, rural-centered for true freedom ;
- (b) self-help and self-sufficiency and the parallel emphasis on social responsibility - including the distrust of the institutional approach in favour of individual moral reform, the dignity of labour, simplicity and equality ;
- (c) the importance of tradition, co-operation and the spiritual purpose of life over more materialistic motivation, disruptive competition and class conflict ; and
- (d) the importance of the proper non-violent means, or process, to ends which must centre on the welfare of all. \*

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\*Of many sources on Gandhi's ideas, a minimum selection would include the following by M. K. Gandhi: *Hind Swaraj or Indian Home Rule* (Ahmedabad, Navajivan, 1939, Rev. Ed.) ; *Economics of Khadi* (Ahmedabad, Navajivan, 1941) ; *Cent Per Cent Swadeshi or The Economics of Village Industries* (Ahmedabad, Navajivan, 1945, 2nd Ed.) ; *Constructive Programme : Its Meaning and Place* (Ahmedabad, Navajivan, 1945, Rev. Ed.) ; *Towards Non-violent Socialism* (Ed. by Bharatan Kumarappa, Ahmedabad, Navajivan, 1951) ; *Sarvodaya (The Welfare of All)*, Ed. by Bharatan Kumarappa, Ahmedabad, Navajivan 1954). See also *Gandhiji : His Life and Work* (Bombay Karnatak Publishing House, 1944) ; Nirmal Kumar Bose, *Studies in Gandhism* (Calcutta, Indian Associated Publishing Co., 1947), Gopinath Dhawan. *The Political Philosophy of Mahatma Gandhi* (Ahmedabad, Navajivan, 1951, 2nd Ed.) ; Louis Fischer, *A Week with Gandhi* (New York, Duell, Sloan and Pearce, 1942).

On these foundations, there emerges from Gandhi's thought an "ideal" and a "less-than-ideal" picture of the economy. According to the ideal, socio-economic organisation would be based on *Varna-Dharma*, each generally following his hereditary occupation, within a system purified of all status gradations or disabilities. All would engage in some manual labour ("bread labour"), there would be equal pay for all work, and those with special talents would use them without pay for the service of society, acting voluntarily as trustees of their wealth. Material ambition would be limited, so each would use his energy in spiritual pursuits. The economy would be decentralized and village-centred, each village being self-sufficient in food and clothing and as nearly so as possible in other commodities. Modern factory industries would have no place ; machinery would be confined to simple hand tools. Production would be for use and not for profit, distribution would be local and simultaneous with production, and both would be based on co-operation, not on competition. Such a society would be non-violent and non-exploitative, devoted to simple living and high thinking.

### Less-Than-Ideal State

In this ideal picture, cottage industries and agriculture would not be carried on very differently in technique from that of the past, although poverty is supposed to be eliminated from a much enlarged population. The slow process of education, the



good example of sterling leaders and *Satyagraha* would be the means used to attain this society, and even to liquidate the industrial and agricultural complex developed under the British. The psychology involved in reaching and maintaining such state is not sufficiently explored. The success of the programme depends on faith in the goodness of human nature and in some special Indian susceptibility to such ideals – an idealistic emphasis frequently stressed by Indian philosophers.

But Gandhi himself realized it was impossible to attain this ascetic ideal. Taking into account to some extent an awareness of human weakness, the existing Indian conditions, and the pressure of the movements of thought in India, he also developed a less-than-ideal picture, with the ideal in the background and some compromises in the foreground.

In Gandhi's less – than – ideal state, Varnadharma, "bread labour" and equality give way to the attempt to purify the caste system of its status gradations and disabilities and to eliminate untouchability ; to encourage each to engage in some manual labour and to endow such labour with dignity ; and to decrease inequalities of income and wealth. Persons with special talents would be permitted to earn more than others. Such persons should use their additional income as trustees for the service of society, and there would be some maximum as well minimum income. This trusteeship is itself a compromise with inequalities of wealth, but in the event

that landlords and capitalists did not become trustees and that non-violent pressure by the masses did not produce a trusteeship attitude, Gandhi agreed that a degree of confiscation and State supervision may be necessary in both industrial and agricultural sectors, though he shied away from their use.

### Far-reaching Compromise

In this picture also, production and distribution would be as decentralized and village-centered as possible, tending to be for use rather than for profit, and approaching the ideal of village self-sufficiency, at least in food and clothing. Village industries and simple agricultural improvements would be fostered, partly by voluntary village workers and partly also by the State. But some modern industry was allowed. For these minimum modern centralized or organized industries, there might be private ownership if capitalists and workers were co-proprietors, mutual trustees and trustees for consumers. Labour would be organized on the basis of non-violence and self-help, and as a rule there should be compulsory arbitration of disputes. For basic heavy industries, however, there should be State ownership with workers' elected representatives having an equal share in management with Government representatives. In any case, these industries would subserve the village economy and not dominate it. In the less-than-ideal, as in the ideal picture, voluntary co-operation and simple living and high thinking would be encouraged.



But Gandhi's less-than-ideal picture, permitting an imprecisely indicated minimum of modern industry and machinery, and State controls was really a far-reaching compromise with his basic philosophy. Gandhi had opposed State controls as involving too much centralization of power and danger of violence. He had opposed industrial civilization on several grounds : immoral materialism, concentration of wealth and power, its basis in exploitation and conflict rather than co-operation and tradition, unemployment, and the degrading conditions of industrial workers in cities. Among the conditions for the use of modern industry or machinery, he specifically mentioned that industrialism as such must be avoided, and that unemployment or exploitation must not result. Further, control of the production of prime necessities must remain within the village, the talents of men should not be atrophied, and machinery should be related to satisfying the primary wants of men and lightening the cottagers' burden. He preferred simple tools which villagers could both make and afford to use. If made in factories, such factories should be State-owned or controlled, operated not for profit but for the benefit of humanity with ideal conditions of work and good wages, and with workers' participation in management.

### Large Potential For State Control

With the above outline of Gandhi's thought in mind, we may indicate some of the problems of implementing his ideas

and divergent possibilities of interpretation.\* The first major problem regarding implementation arises from the large potential for State control and centralization, and for a fairly complex industrialized economy, which result despite Gandhi's opposition from the compromises of the less-than ideal picture. In the compromises with modern industry and machinery, Gandhi acquiesced in modern key basic industries—in modern transport, ironworks, electricity—and in factories producing such acceptable popular machinery as sewing machines. But Gandhi does not clearly demarcate what centralized industries he would allow, how much they would produce and for what purpose, or the mechanics by which they would subserve the village economy (to be the main theatre of consumer goods industries).

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\*Among the many discussions concerning implementation or interpretation, the following may be especially suggested : J. J. Anjaria, *An Essay on Gandhian Economics* (Bombay, Vora 1945) ; S. N. Agarwal, *The Gandhian Plan of Economic Development for India* (Bombay, Padma, 1944) ; A. N. Agarwala, *Gandhism : A Socialistic Approach* (Allahabad, Kitabistan, n. ed.) ; M. L. Dantwala, *Gandhism Reconsidered* (Bombay, Padma, 1945, 2nd Ed.) ; S. K. George and G. Ramachandran, Eds. *The Economics of Peace* (Wardha, Akhil Bharat Sarva Seva Sangh, 1952) ; P. S. Lokanathan, *Principles of Economic Planning* (New Delhi, Eastern Economist, 1943) ; M. R. Masani, *Socialism Reconsidered* (Bombay, Padma, 1944) ; K. G. Mashruwala, *Gandhi and Marx* (Ahmedabad, Navajivan, 1951), Philip Spratt, *Gandhism ; An Analysis* (Madras, Huxely Press, 1939) ; Wilfred Wellock, *Gandhi as a Social Revolutionary* (Tiruppur, Sarvodaya Prachuralayan, 1953) ; Sudhir Sen, *Conflict of Economic Ideologies in India* (Santiniketan, Visva-Bharati, 1941) ; Nehru on Gandhi (New York, John Day, 1948).



To make the necessary decisions and then direct the economy would entail both centralisation and State control. The dynamic implications of modern basic industries for the rest of the economy would eventually result in a pattern of economic life much less simple than Gandhi would have liked. Even the attempt to prevent this would require a complex and centralized management of the economy impossible of achievement by villages. The organization and improvement of myriad decentralized small industries and village life in general would involve an extensive bureaucratic development. Where industry is nationalized or State-controlled, trusteeship may be superfluous, but where private "voluntary" industrial or agrarian trusteeship is regulated, again there are centralized State controls.

### **Profit Criteria Vs. Production For Profit**

A related and further problem arises because, though individual profit might be eliminated by State ownership, it is not clear to what extent "production for use" means profit criteria are to be disregarded. If the benefits of specialization are denied by attempts at local self-sufficiency, the economic cost will be increased and the burden will be borne somewhere. This can only be considered compatible with the interests of the masses if their interests are not to maximize the increase in their very low standard of living. Such a maximization would for long be very far from luxury. Further, it is not clear who is to determine the meaning of the "interests of the masses" or by what pre-

cise criteria, and it is most unlikely that it could be a decision decentralized to the masses. Thus, not only is there a debatable economic cost here (at least to non-Gandhians) but also an added potential of State control and centralization.

A second major problem regarding implementation arises from the possibility that where trusteeship is left voluntary, reactionary landed or business elements, controlling the means of production, would use the doctrine to their own advantage. And where trusteeship is neither effective voluntarily nor regulated by the State, the alternative of Satyagraha for the masses is of doubtful practical benefit, for economic and social power is left concentrated in the hands of the dominant caste or class groups. Even where trusteeship is benevolent, such paternalism may inhibit the development of the individual self-help called for by Gandhi. Gandhi's method of social action purposely avoids the development by the masses of concentrated interest groups which could function as an organized social force, channeling opinion or protest, in a society where many such groups would counter each other. Thus, despite Gandhi's opposition, the danger of considerable inequality and continued rule by a dominant elite persists.

Thirdly, to achieve society based on Gandhi's ideals, as any others, requires a basic unity on these ideals. Scepticism about the likelihood of this leads to the suspicion that either centuries would be required or the process of conversion to these ideals and the making of decisions



as to implementation would involve the emergence of a moral totalitarianism. The tyranny of the majority, against which Gandhi stood, can be replaced by the tyranny of a particular morality. To be effective, decisions on implementation could hardly be decentralized to each individual, but rather would almost inevitably be more centralized.

### Contradictory Interpretations

Partly because of the problems Gandhi's ideas thus present, he has been contradictorily interpreted as a "non-violent socialist," a reactionary, and a peaceful social revolutionary. Gandhi does appear close to many Socialists in agreeing, e. g. to some modern industry, State controls, legislated land reform and labour participation in management. However, in Gandhi's philosophy these were minimal compromises with the climate of ideas around him. It is more basically on the plans of egalitarianism that the moral-religious and socio-economic idealists meet. Yet Gandhi differs from Marxian socialists in his rejection of materialism and class struggle, in his faith in individual moral reform rather than reform of the social structure, in his preference for trusteeship over nationalization, and in his response to a static economy through traditional simplicity rather than an expansive modern industrial civilization.

And, in fact, Gandhi was rejected by many Socialists as a reactionary or at least as only a reformer. This was reinforced by doubt as to the efficacy of trusteeship. However, Gandhi also disliked the materialism and competition of capitalism. His

opposition to modern industrialization was distasteful to modern Indian capitalists as well as Socialists. Indeed, the emphasis on social harmony, and village economy was taken as a "medieval" mentality, especially with a "noblesse oblige" connotation or trusteeship, the concept of *varna-dharma* and the spiritual-moral approach to life. And these roots in the traditional socio-economic organization allied Hindu conservatism to Gandhi.

### A Social Revolutionary

On the other hand, Gandhi was hailed as a social revolutionary because he called for a revolutionary change in individual psychology, technique of social action and socio-economic organization. Not a change of masters, but self-mastery; not legislation or force, but a voluntary change of heart and will—such a revolution would result in the moral development of the latent good in man, and, extended through society, in a great co-operative family and non-exploitative economy. Further-more, since he saw that the heart of the socio-economic problem lay not so much in capitalism versus socialism, but in the centralized materialistic industrial civilization as such, Gandhi's revolution was aimed at the root of the matter. It was thus no blind and simple return to the past. (However, one may compare the reactions of various Western Utopians or moralists to phases of Western industrialization). But to those for whom Gandhi's socio-economic principles represented "absolutes", they were the revolutionary answer to the evils of modern industrial civilization, in which



the traditions of India, purged of their abuses, could be used.

For present-day India, however, the most significant interpretation of Gandhi's ideas is in less absolute terms; it is in their relevance to economic development in India, for they are rooted in actual Indian conditions.

### **Relevance To Indian Reality**

Indian conditions have been characterised, on the one hand, by a deficiency of capital, skills and enterprise and their mobility, and of appropriate values, customs and institutions for wholesale adoption of advanced technology. On the other hand, there are the unfortunate concomitants of partial adoption of advanced technology such as the lack of adequately stimulating integration between the small urban modernized and the large rural backward sectors, because of insufficient profitable employment outlets for the increasing population and consequent limitation of purchasing power. "Western" problems to be avoided were such as unemployment, the evils of cities, class conflicts, materialism, technocracy, concentration of power, and the concomitant threat to the status of the individual. From Indian traditions a social pattern could be built around cooperative integration, an organic division of functions rather than a competitive balancing of conflicting forces, with a paternalistic social conscience and a rationale based on duty.

The less-than-ideal picture of Gandhi contains elements satisfying the above, for his programme is concentrated on raising

the standard of living in the villages and increasing their productive and purchasing power by methods requiring relatively little resources and consonant with Indian traditions. Development could be initiated from the ground up, with a moral ethic facilitating growth of caste mobility, the dignity of labour, emancipation of women, a sense of discipline and social conscience, a thrifty avoidance of unproductive luxuries, and self-help, all laying a basis for further development.

The utilization of available but wasted resources for cottage industries in the villages and the gradual adoption of simple improvements, within a decentralized economic structure understood by the masses, would be fostered by self-sacrificing constructive workers, using an appeal to which the traditional mind could respond. Accessory to this would be such practical measures as "technical" craft-centered education, prohibition of debilitating alcohol on which scanty wages were wasted, and the trusteeship theory whereby those with entrepreneurial talent, would be given scope to operate, the labour force would be disciplined and co-operative, and a paternalistic conscience to the welfare of labour would ensure a productive harmony. As far as possible, capital and talent should move to, rather than from, the countryside, and thus the diffusion of industry to the relatively immobile labour supply should encourage a more widespread and equalized development of improved productivity and even capital formation. Basic heavy industries would be developed.



as the province of the State.

### Doctrine Of Karma

To such a method of economic development, exception may be taken by those who believe its impetus must be in big, rather than simple, innovations, or by those who believe that revolution against tradition is the only way to provide a motivating ethic or leadership conducive to development. But to depend on the auxiliary effects of big innovations, requiring much scarce capital, would prolong the disequilibrium between the modern and backward sectors. Further, it would seem that economic development does not necessarily depend on everyone being motivated by a simple materialistic desire for a better standard of living; thus the concept of *dharma*—well known to every Indian—could be moulded towards development, somewhat similar to the use of nationalism in Japan. But *dharma* did not itself imply productive economic behaviour, and in connection with caste and *karma* it touched mainly one's one caste. To extend *dharma* to a more generalized social or national responsibility, to encourage rational economic behaviour, and to facilitate the growth of the positive results of the ethic as mentioned above, would in fact require some revolution against Indian traditions, as then operative.

If Gandhi's approach, largely through morality, should fail to initiate this, the net result of his proposals could be a perpetuation of stratification and stagnation. Thus,

craft-centered education would leave the masses to manual labour, trusteeship would leave the leadership to the dominant caste and interest groups, and village uplift would not turn the vicious circles of poverty into a spiral of development. Indeed, then his ideas could impede economic development insofar as there remains merely the negative side of opposition to modernization, population control (except through continence), the profit motive and material ambition.

### Neglect Of Social Organisation

It is a basic weakness of the Gandhian approach that it would operate through enlarging the area of individual moral reform by a sort of chain reaction, neglecting social organization and rational—if materialistic—self-interest. Useful as morality may be as an impetus to improvement the functional organization of society is probably more important for social change. And drawing from the Hindu tradition of renunciation the Gandhian approach also neglects the earlier tradition of an expansive joy of life. It thus denies even to itself sufficient means to counteract the custom, ridden apathy, superstition and unenterprising subservience of the masses. It has lacked the motivational power to attract enough self-sacrificing constructive workers or to evoke sufficient response from the masses. Gandhi's strict followers do not have sufficient power to carry out a Gandhian programme, the outlook of the "modern"



elite is quite different from Gandhi's and the "traditional" elites are not generally interested in the revolutionary aspect of Gandhi's ideas, Gandhi's programme were too traditional and paternalistic, in spite of his belief in self-help and reform, to enable the changes in the social system and values necessary to set in motion a process of development, even to reach Gandhi's own goals.

On a progressive view of Gandhi, this may be regarded as a preparation of both masses and leaders for more far-reaching changes to come later, but in fact, at the same time, Gandhi put an anti-Western brake on both social and economic change. Indeed, by the time of independence, it appeared to many that neither capitalism nor the Gandhian approach would suffice for the economic reconstruction of India and that, therefore, the State, with all its resources and power, must play a planned and major role. Even capitalists and Gandhians looked to the State for support in their aims, e. g. capitalists for finance and basic development and Gandhians for restrictions on centralized industries and aid to cottage industries.

### **Appeal Of Gandhi's Ideas**

Yet because Gandhi's ideas were rooted in the facts of Indian conditions, they carry both an appeal and a relevance for Indian development which are significant even without an acceptance of the total Gandhian philosophy or methodology. To be sure, such usage of Gandhi's ideas may distort the decentralization, self-help, simplicity and voluntary moral change most basic to him. But if it does not lead to a

truly Gandhian society, it does demonstrate the validity of his ideas when supplemented by other efforts. Therefore, it is not surprising that although the development of the Gandhian approach in the inter-war period coincided with the growth of opposed capitalist and socialist approaches to economic development, there appeared both wide spread rejection of Gandhi's ideas and an increasingly serious consideration and reinterpretation of his possible contribution to economic planning. Especially considered were peaceful evolutionary methods and trusteeship, encouragement of self-help and self-sufficiency, decentralization and rural industries, employment and the level of technology, egalitarianism and practical education.

Since independence, a number of significant policies or measure, which are consonant with Gandhi's suggestions, have thus been adopted by Congress Central or State Governments. Equally striking are the similarities to Gandhi's less-than-ideal picture of the future pattern of the Indian economy as envisaged in various recent Congress, Government, Praja Socialist and Sarvodaya sources.

### **Adoption By Government**

Although those Government policies or measures for which Gandhi stood are by no means all effectively implemented, at least efforts have been made on the following lines: prohibition, craft-centered education and adult education, emancipation of women, legal caste equality with special measures for untouchables and backward castes, attempts to develop or enforce a trusteeship attitude



in capitalists whose services are retained in the "mixed economy". State ownership of heavy basic industries, arbitration of industrial disputes, labour participation in management, attention to employment and labour-intensive small industries, decentralized rural development schemes utilizing self-help, progressive decrease of inequalities of wealth or ownership; of industrial or agricultural means of production, and attempts to foster a broad co-operative movement and resuscitate village panchayats.

The applicability of such measures does not depend on adopting Gandhian ideology but is dictated by Indian conditions with which Gandhi was well acquainted. Thus, for instance, a craft-centered education is more relevant to mass needs than the production of more educated unemployed through literary education. Prohibition accords with the upper-caste attitude against alcohol. Compulsory settlement of industrial disputes is a means to prevent production lapses the economy can ill-afford. (It may be remembered too that the Congress is associated with the principal labour federation, which claims to be founded on Gandhian, concepts in opposition to ideologies of class conflict. In this federation, labour leaders associated with Gandhi in Ahmedabad are prominent).

### **Decentralization And Small Industries**

Decentralization is dictated by provincial rivalry and by the desirability of more equalised development, reaching and mobilizing maximum numbers, as much as by adherence to a philosophy behind it. The State's role in heavy industry is partly a

result of inadequate private enterprise in this field. But as the existing industrialists are needed for production, they cannot be dispensed with, but cajoled and controlled into more public responsibility. Legal caste equality is a political necessity but does not mean that dominant castes do not continue in leadership roles. Intensive and extensive schemes of village development, with small and local projects to increase productivity, and with the arousing of self-help, are required to break through the vicious circles of village poverty and psychology. They are also related to the agrarian roots of the Congress and to critical agricultural shortages which demanded immediate as well as long range measures. (It is, however, worth noting that the principal model of rural development, the Community projects has met with disapproval by Gandhians. They have criticized the use of foreign aid, the expensive, "materialistic" and official nature of the work, and the inadequate attention to cottage industries, among other things.)

Finally, the increasing attention to labour-intensive small industries is dictated by the need to economise on scarce capital on the one hand, and to provide employment on the other. In regard to scarce capital, there is in the Second Five Year Plan emphasis on investment in capital intensive heavy basic industry, simultaneous maintenance of consumer goods production to check inflation, extension of the socialized sector of the economy, with possibly a limitation on the capitalistic sector, engaged in producing consumer goods competitive to cottage industries



in regard to unemployment, there is the economic waste of resources and the human problem presented, the need for industries as an aspect of rural regeneration, and the political pressure exerted via unemployment not only by labour groups, opposition parties and the inherent instability of middle class unemployment, but also by Gandhian elements. The last mentioned have been especially vociferous on the question of cottage industries. Their position would seem to be strengthened by alliance with feeling against "vested interests" and by some political opinion that the Gandhian approach, considerably enlarged by the appeals of socialism, is the path to establish contact with and to gain the support of the people.

### Similarity Of Future Pattern

This brings us to the similarity of the future pattern of the economy as envisaged in recent Congress, Government, Praja Socialist and Sarvodaya Planning sources. By way of preface, it should be remembered that after independence, the Congress Party had declined to follow the suggestions of Gandhi to turn the party into an organisation of social service, although it retained, and subsequently added to, the features of the Gandhian Constructive Programme to be carried out along with political work. Furthermore, independence was followed by a period of economic crisis and transition, in which capitalist and bureaucratic elements alienated both Gandhian constructive workers and socialists. These latter groups became generally estranged from

Congress. The socialists formed an independent political party and the constructive workers formed independent social service and propaganda organization.

As time went on, some elements of these two groups were moving closer together, for instance in the Praja Socialist Party, in the association of Jaya Prakash Narayan with the neo-Gandhian *Bhoodan* movement of Acharya Vinoba Bhave, and in an increasing consonance of expressed socio-economic views. Although the Congress Government succeed in bringing the economic crisis under control and in launching the First Five-Year Plan, there was wide-spread disillusionment with Congress in the country as representative of "vested interests". As a counter to such interests, and also reflecting the increasing mobilization of all possible efforts towards the Government's plans for economic development, the Gandhian and socialist elements still with in the Congress were also moving closer together.

### Common Denominator

While the relations of the various forces involved remain in flux and no real synthesis is achieved, there does result considerable similarity of expressed socio-economic planning aims. According to their published sources, each of these groups would have a centralized and socialized sector of modern basic industry and a decentralized cottage co-operative sector of consumer goods industry. All would give benefits to labour and associate it in management of large scale industries, but would also emphasize labour's



sense of responsibility. Each would re-organize agriculture and village life through comprehensive co-operatives, redistributing land more equitably and generally granting some recognition to private ownership but emphasizing that some pattern, as yet uncertain, of co-operative performance of agricultural functions should be developed. All place much emphasis on egalitarian distribution and the creation of co-operative rather than competitive social values. All are concerned with the employment problem with, mobilizing the self-reliant contribution of the masses, and all give social controls (the State) a significant role at the same time as decentralization is an aim. Thus, all contain essential features of Gandhi's less-than-ideal picture, and face the difficulties of that picture too.

This is not to suggest that Gandhi is the sole mainspring of the programme of these groups. Nor is it to belittle the definite difference between the groups, particularly their different emphasis. There is Congress Government emphasis on basic heavy industry, big hydroelectric and irrigation projects, modernization of decentralized cottage industries and enlarging vistas of economic activity. The *Sarvodaya* group emphasizes small or self-sufficient projects and simple improvements of the vast decentralized cottage industrial sector, within a vision of expansion limited by morality and "human values". The Socialists continue to stress nationalization or socialization and egalitarian distribution of wealth.

Yet it is significant that a common denominator of this economic thinking is found in Gandhi's contribution. This is the product of the impress of a powerful and beloved leader on the Indian outlook, and at the same time the product of compelling needs of the Indian situation he knew so well. Even if the essence of Gandhism cannot be adopted, numerous items of his thought are utilized. Such use may be embroidered considerably by the Gandhian vocabulary political leaders adopt. But this in itself indicates the continuing appeal of Gandhi's ideas.

(Courtesy : The Economic Weekly)

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# BUNDELKHAND KHADI – KHARUA

( By S. K. VERMA )

Motikatra a village in Jhansi District of Bundelkhand. U. P., ensconced amongst sylvan surroundings at the confluence of Dhasan and Betwa rivers reminds one even to-day of the once highly prized industry in Kharua which is special variety of Khadi so well-known in the textile world of Northern India. Varieties of Kharua Khadi such as Ekri, Gaji-Garha, Chhanti, Patri, Salu, Zamurdi, Kasbi, Churiya, Chunri, Patal, Mirkhand areas near about Mauranipur and transported to distant parts of India from the cloth markets of Mauranipur, Konch, Kalpi, Bhandar and Jhansi. Huge kettle drums and vats strewn along the banks of Dhasan near Motikatra and the magnificent temples, erected by the weavers there, bespeak of the prosperity this Khadi industry once enjoyed in this part of the country. From Motikatra the industry spread and took root in Mauranipur, Rani-pur, Prithipura, Siaori, Gursari, Kalpi Banda, Bhandar, Saiyadnagar, Kotra Konch, Rath etc. and became the mainstay of several lakhs of weavers, residing in Bundelkhand and the surrounding States. Mauranipur alone exported Kharua and Ekri worth several lakhs of rupees to Pillibhit, Lucknow, Farrukhabad and Calcutta.

## Unfortunate Circumstances

Unfortunately the industry has nearly died out in the area since the last 30 years mainly due to the competition of mills and

discontinuation of the cultivation of the indigenous vegetable dye 'Al' which formed the main base of the fast colour of this variety of Khadi. The entire organisation has been disrupted. The Kori Weavers, thrown out of employment, have adopted alternative jobs, mostly those of cooks and domestic servants. A few hundreds have joined the railway workshops at Jhansi. But even now a considerable number residing in the villages round about Mauranipur has stuck to their ancestral vocation. They have switched over to mill yarn from handspun yarn which is not available in bulk at any price in Bundelkhand. No Ambar sets have yet penetrated to this vast region, rich in cotton, teeming with weavers and spinners of traditional skill. The exuberant growth of indigenous vegetable dye stuffs in the forest regions surrounding the area, with prospects of successful cultivation of 'Al' plants, call for serious attention of the Khadi Commission and the U.P. Government to establish an experimental Unit for the revival of this industry. A study team of local experts guided by the experts of the Commission and the Government would go a long way in finding out ways and means for the rehabilitation of this peculiar variety of Khadi in Bundel-Khand.



The stage is already there with thousands of indigenous charkhas and innumerable looms in the rural areas with thousands of spinners and weavers to work them. Financial and technical aid as well as a co-operative marketing organisation on modern lines is the need of the hour. A District Weavers' Co-operative Federation with substantial amounts at its disposal is in existence; but, due to lack of leadership and guidance, it has been carrying on an humble trade in mill yarn and local cloth only though nationalist Koris have an upper hand in its make up.

### 'The 'Al' Dye

'Al', the basic dye of Kharua Khadi, requires a special mention. Without it the industry cannot prosper.

Botanically known as *Morinda Citrifolia*, 'Al' was an indigenous plant grown on all kinds of land — Kabar, Padua, Rankar and even waste lands. A Crimson red dye used to be extracted from its roots. The cultivation of 'Al' plants was carried on extensively in Bundelkhand till 1874. The Districts of Jhansi and Jalaun, besides some Bundelkhandi speaking districts of Madhya Pradesh, were centres of 'Al' roots and a roaring trade, yielding lakhs of rupees in profit, was carried on in these markets. The rate for the sale of a thick variety of roots, at that time, was Rs. 9 per maund. Wheat then sold at 22 seers a rupee. Chronicles of Abul Fazal and other contemporary Mohammadan writers have mentioned 'Al' as one of the costly articles of cultivation in those days. Khata Khataunis of Jhansi District show that 12,000 acres of land were under 'Al'

cultivation in 1865-66. whilst today not a single inch of land on which it is grown.

### A Crop

'Al' can be grown in all kinds of soil as aforesaid. The seeds are strewn in July. The land has to be deeply tilled. The ordinary plough is employed for the purpose. But in case the land is plain and free from pebbles and stones, a rake up with the country harrow is enough. Ploughing is not necessary so much as deep digging which helps roots to sprout and spread down under the earth. The seed at a maund per acre is strewn broadcast. The plant begins to show within a month and is weeded in September. Weeding is the only essential process in 'Al' cultivation and is repeated a number of times. No irrigational arrangements are required for the fields. They thrive best on occasional showers of rain. But each individual plant has to be tended with care, the ground round the plant being deeply raked up after a year's growth. This helps the plant to resist the onslaught of ants and other insects.

'Al' flowers are white and grow in clusters of highly sweet-smelling blossoms. The seeds then grow on the stalk. Nearly 20 seers of seeds is the yield per *bigha* in the first year of production. In the next two years the yield is 10 seers per *bigha*. Roots are dug up after 3 years of sowing in December, January and February only. All roots are dug up and removed and the pit is closed up with the remaining parts of the plant. The roots go down about three feet and require



deep digging and careful handling. The yield per bigha is five maunds (408 lbs.). The other parts of the plant are not used.

The roots are highly valuable and are of three distinct varieties. The finest is called 'Bhara' in Jalaun and 'Bhara' in Jhansi District and is found deepest in the ground. The yield per *bigha* of this fine variety is one maund. The rate in 1874 was Rs. 20 per maund which, in the present economic set up, would amount to Rs. 200 per maund. The medium roots are known as 'Jharan' or 'Pachmer' with an average yield of  $2\frac{1}{2}$  maunds per bigha. The rate of sale in 1874 for this variety was Rs. 15 per maund. The third variety the thickest named 'Ghatiya' or 'Lari', is produced at  $1\frac{1}{2}$  maund per bigha and was sold at Rs. 9 per maund in those days.

### Preparation Of The Dye

The three varieties of roots were mixed in the following proportions : first sort one and a quarter seers, second sort two seers and the third three seers, these were then chopped up fine, ground in a handmill, and for each seer of root two ounces of alum were added; all were put into a vat holding two and a half maunds of water.

The cloth to be dyed is first washed ; and for each *than* (piece) of cloth a quarter of a seer of castor oil and a quarter seer of 'fullers' 'Earth', (Sajji) are used with four seers of water, in which the cloth is well-steeped and beaten by the Dhobi (Washerman). The cost of this process by dhobi at that time was one pice per *than* of 8 yards. In the root mixture mentioned above, five *thans* of patal or

five *thans* of mirkhani or fine khadi cloth is placed and allowed to remain for eight days; the cloth is moved up and down to make the dye equal and uniform throughout. After this the cloth is taken out, washed and dried in the sun and pressed. This handspun cloth dyed in 'Al' sold at considerable profit in those days in the markets of Hathras, pilibhit and Lucknow,

### Innovations

Local innovations and alterations to produce different shades and variations in the natural hues of 'Al' were introduced at Saiyadnagar and Kotra where local dyers mixed with it the root of a shrub called *noti*. The mixture produced a special shade called *Zamurdi* or dark maroon like shade. 'Noti' root is abundantly found in the forest areas round about Chhatarpur in Bundelkhand. Besides, 'noti', flowers of *Dhavai* were mixed with 'Al' dye to produce a deep bright crimson. 'Had' when mixed with 'Al' dye produced a yellowish red effect. 'Al' thus formed an essential dye stuff of the Kharua trade of Bundelkhand and was widely cultivated. For the revival Kharua industry 'Al' will be a pre-requisite. It has a considerable employment potential and will help in the economic reconstruction of rural areas in Bundelkhand inasmuch as most of the wasteland would come under 'Al' cultivation and produce a highly valuable commodity the aniline counterpart of which has to be imported from foreign countries and cost considerable exchange to India. Besides saving this amounts, the country



will have a new industry in dyestuffs. The cultivation of 'Al' would provide work for at least 10,000 persons in a district. As pointed out above, about 12,000 acres of land was under 'Al' cultivation in 1865-66 in Jhansi District alone. With the advent of 'Al', Kharua will thrive again as in old times.

### Kharua And Its Varieties

Kharua was a special kind of Khadi produced in Bundelkhand. Yarn produced on traditional charkhas which were plied in every village of Bundelkhand even upto 1940, was stocked at different weaving centres mentioned above by itinerant traders in yarn, called 'sutarayas'. Weavers then sorted out and classified the yarn according to its counts and allocated it according to its thickness or fineness, for Chhanti, Ekri and Patri, Patal or Mirkhani weaving. Chhanti was the coarsest Khadi whilst Mirkhani was the finest. Ekri or the medium variety of cloth was the most common product of Kharua Khadi. All the above varieties of white Khadi when dyed in 'Al' or its shades mentioned above were called 'Kharua' and were put to different uses of apparel. Kharua, Chhanti, Kharua Dhotis, Salus, Zamurdi Chhinti, Kasbi, Pati and Chriya cloths were thus but different varieties of the original Kharua Khadi dyed in 'Al' red.

*Ekri* was produced mainly in the exclusive industrial estates of Ranipur, Prithwipura, Siaori, Deorisinghpura, Gursarai Haivatpura, Garautha, Erach and villages round about Mauranipur where Kori weavers had settled in large concentrated habitations carrying on their trade with

mutual co-operation and help. They had specialised in the technique of Kharua. *Ekri thans* were generally 16 ft. long and 3 ft. or a yard in width. Patar width was less, but it required finer counts of yarn. Mau, Jhansi, Lalitpur, Bhandar, Erach and Konch were its centres of production. Mirkhani cloth was a special monopoly of Saiyadnagar and Kotra.

Kharua cloth and Kharua dhotis were made out of coarse Khadi called Chhanti dyed red. This coarse Kharua was generally used for the inners of lihafs, magzi, Lahngas and coverings and was very much in demand due to its fast colour and cheapness. Kharua dhotis were, and are even now, in common use in rural areas where, their deep colour made them popular amongst the working classes.

*Ekri*, when dyed in 'Al' assumed different names. Ordinary Ekri made good Kharua of finer quality and was in great demand in Calcutta, Farrukhabad, Pilibhit and Lucknow in the north and in Amravati, Nasik and Aurangabad in the south.

'Al'-dyed *Ekri* when decorated with a yellow or black border—spun or printed or tie-dyed—was known as Kasbi. Petticoats made of this kasbi were in common use. Saiyadnagar dyers printed floral designs on Kasbis and made them more fashionable. Printed *Ekri* Kharua or its finer variant patri or Patal were known as Zamurdi Chhints. 'Al'-red mixed with *noti* juice and black colour produced a special variety of petticoat colour, 'bandai'. Ekri dyed in this colour and embroidered with a fine border was very much in use for high class lahngas.



shows how the whole village economy was upset.

### **Land And Agriculture**

According to the census of 1950-51, out of the total population of 35.69 crores, as many as 24.91 crores or 70 per cent of the people depend on agriculture for their livelihood. Again, out of the total working force of the country computed at 14.32 crores, 10.36 crores or 72.4 per cent of the total are engaged in agriculture. The result is that the average holding in India is only 5 acres whereas it is 145 acres in U. S. A., 40 acres in Denmark, 25 acres in Sweden, 21.5 acres in Germany, 20.5 acres in France and 20 acres in England. But the majority of the agriculturists in India do not possess even 5 acres of land. They possess much less. According to one survey conducted in 1949-50, most of the cultivators in Madras, Bihar, and West Bengal possess less than 2 acres of land. Of the total arable land of the country only 17 per cent is under irrigation. The rest is all dry and depends entirely on the vagaries of the monsoon, making intensive agriculture out of question. Erratic and untimely rains are a common occurrence. Conditions of drought in one part and floods in the other are witnessed by us practically every year. The Giri Committee on Agricultural Labour records that the farmer has work on his farm only for 218 days of the year. For the rest of the period either he is idle, or he has to seek work elsewhere.

### **Other Jobs Essential**

Under such unfavourable conditions accompanied by difficulties of finance,

agriculture has become uneconomic and the farmer is unable to maintain himself and his family on agriculture. If he is to live, his income has to be supplemented by tapping other sources and by providing him work during his off period of five months. The problem thus resolves itself into :

- i, to provide suitable employment to the under-employed agriculturists who constitute more than 80 per cent of the rural population ; and
- ii. to rehabilitate the artisans and craftsmen who, finding it difficult to compete with the organised industries, have either abandoned their traditional occupations and gone over to agriculture or who are only partially employed because of lack of suitable conditions to carry on their avocations.

### **Cottage Industries**

It has to be borne in mind that although agriculture provides work for no more than 218 days in the year, the agriculturist remains tied down to it the whole year round. He cannot leave it for any considerable length of time at a stretch. If he does so, his agriculture suffers. So he needs work which he can do at his own home. That work should be such as to suit his personal equipment, his socio-economic conditions, his ability and aptitude. It should also provide scope for the employment of other members of his family. Such work can be no other than Cottage and Village Industries which embody all these virtues of work and for which local raw material is available



or the raw material is produced by the agriculturist himself and there is local market for the sale of his finished product. Cottage and village industries require neither much capital beyond the capacity of an average farmer, nor much space to be housed. Their techniques of production are easy to be learned and do not require very high knowledge. Tools and implements can be easily procured or manufactured in the village itself. Besides, there being no time rigidity in their working, the idle time of the peasant and his family can most suitably and profitably be employed to augment his scanty income.

## Lopsided

Our present economy is a lopsided economy. Three-fourths of our people are engaged only in one industry, viz., agriculture, while all other industries and professions put together, including administration, employ only one-fourth or even less. Naturally, besides under-employment, there is much of disguised unemployment in it. To remove this disguised unemployment and to make agriculture economic it is absolutely necessary that the excess population over-burdening it is shifted from into other occupations. If suitable conditions are produced, it may not be too difficult to persuade the artisans and other professionals who have lately joined agriculture under odd conditions to revert to their old occupations. Cottage and village industries are both whole-time and part-time and possess high employment potential. They provide the best solution not only to the problem of under-employment of the agri-

culturist, but also serve to rehabilitate the artisans and the craftsmen. They can go a long way in restoring the balance in our economy.

## Unemployment

According to the Planning Commission, the number of those unemployed in the beginning of the 2nd Five Year Plan was 5.3 millions 2.8 millions in rural areas and 2.5 millions in urban areas. Provision was made to provide additional jobs to 8 million people in the 2nd Plan. But it is estimated that, as a result of our population growth, 2 millions are added to our working force every year. Accordingly, by the year 1960-61 the number of those to be provided with jobs would increase to 15.3 millions while only 8 millions would get jobs if the plan is implemented in toto. But very recently there was a statement made by Shri Gulzarilal Nanda, Member of the Planning Commission, that since the Plan outlay is being scaled down to Rs.4,500 crores from Rs. 4,800 crores, the employment potential of the plan may be reduced to 6 millions only. That is the position of unemployment as placed before us by the Planning Commission. But there is an important section of the people which feels that the unemployment position in the country is much worse.

Even Prof. P. C. Mahalanobis, another Member of the Planning Commission, once stated : "There could scarcely be any doubt that 10 or 12 million persons were either out of job or were seeking jobs or were practically without gainful work. If consideration was extended to those who were sitting idle for more than



half or two-thirds of their working time, the number would probably rise to 25 or 30 million persons." The worse part of the problem is that, instead of decreasing, unemployment is all the time increasing in spite of all efforts made to wipe it out. According to the Live Registers of the Employment Exchanges in the country, the number of those who registered themselves for employment in March, 1951 was 3.37 lakhs. This number increased to 5.22 lakhs by December, 1953 and to 7.05 lakhs by March, 1956. This shows how unemployment in our country has been steadily increasing.

### **Baffling Problem**

Regarding under-employment, there are no definite statistical data available. However, in addition to the severe under-employment in agriculture and village industries referred to above in rural areas, according to National Sample Survey 8.48 per cent of the population in towns of more than 50,000 population, excluding the four big cities of Calcutta, Bombay, Madras and Delhi, are under-employed and 3.17 of them are "severely under-employed". On the basis of this estimate, the number of "severely under-employed" in urban areas of the country works out at 27.4 lakhs and those of under-employed at 73.3 lakhs. How are we going to solve this baffling problem of unemployment and underemployment? There is a relation between employment and capital investment. The greater the capital investment, the greater the employment. But we know that we are too short of capital. We cannot make unlimited

investment to push up employment to meet our needs.

### **Plan And Priority**

We all know that ours is an under-developed country. In order to build our economy on a sound basis, our first concern is and ought to be the development of basic and key industries to avoid dependence on foreign countries for capital goods. Our planners have, therefore, given first priority to the development of basic industries during the second plan period. But basic industries require huge capital investment and foreign exchange which we badly lack. So our plan is facing a financial crisis and we are being forced to scale it down. This limits our chances of making adequate investment to have a higher rate of employment. And when we give first priority to basic industries, little scope is left for investment in large scale consumer goods industries which also require huge capital and foreign exchange to purchase plant and machinery.

### **Village Industries**

On the other side, because of implementation of the First Five Year Plan and increasing investments in development projects in the country, there is increasing purchasing power in the hands of the common man, which he is inclined to use in the satisfaction of his wants. Thus, a greater demand for consumer goods has been and is being created. If these goods are not available in adequate quantity, inflation is inevitable. To avoid this awkward situation, the Planning Commission gave a



second priority position to village and small industries which do not require much capital and scarce foreign exchange. It appointed a "Village and Small Scale Industries Committee", popularly known as Karve Committee to prepare a scheme so that the increased demand for consumer goods could be met by village and small-scale industries under the provisions of the Second Five Year Plan and at the same time increasing employment could be assured to the people. Thus, under the stress of circumstances, even those economists who once might have criticised the cause of village industries, are now falling in line with their exponents to meet the situation. This proves the great potency and efficacy of the village industries in building the economy of the country.

### **Poverty Amidst Wealth**

At times it has been remarked by the foreign visitors that we are a poor people in a rich country. What does it connote? It is really a strange phenomenon that although the country is rich in its natural resources, the people inhabiting it are poor. Why is it so? The answer is clear. Nature has endowed us with immense natural resources, but they are not fully harnessed to our benefit. We constitute nearly one-fifth of the world's population. This vast human energy could be a great asset for the country. But unfortunately it is regarded as a heavy liability, a burden and a great drain on the natural resources of the country. It is so because human energy pregnant with immense potentialities is kept dormant undevel-

oped and unutilised. A good number of people remain without work and instead of creating wealth and adding to national income, they eat away the valuable resources of the country. Our first aim, therefore, must be to fully utilize this vast manpower that God has given us. It would be a sin against God and a crime against humanity if this valuable human energy is allowed to go waste. Each person, fit to work, must be provided gainful work according to his ability, temperament and training. In a Welfare State, such as ours is claimed to be, it is the duty of the State to provide work to each of its citizens. If any one is idle, he is a burden on the whole society and, since he cannot remain without food, clothing and such other requirements, he lives at the cost of others, turning them poor. This is our problem number one.

### **Four-Fold Loss**

How illogical it is that whereas innumerable hands remain idle, a good many raw materials such as various agricultural products, forest products and numerous things found in nature, are allowed to pass without converting them into finished goods. One of the main reasons of the poverty of the villages is that many of the agricultural products and various other raw materials which they produce are exported to cities without processing them into finished goods for consumption. This entails a four-fold loss to the villages. While, on the one hand, raw materials when sold fetch less price, on the other, the



employment which they could provide to the idle hands in their processing, is also lost. The third great loss is the loss of valuable bye-products which could be obtained in processing. And, above all there is the terrible loss incurred in payment of high prices in the purchase of goods manufactured from the same raw materials previously sold. This drains the villages of the little wealth they earn from the land. If they are to be rehabilitated, the four-fold

loss must be checked by promoting village industries suited to village conditions. Village industries possess exceptionally high employment potential as no other occupation does except agriculture. But agriculture by itself cannot provide enough to meet the demands of rising standards of the modern age. Development of agriculture together with the development of village industries will alone prove efficacious in rebuilding our shattered economy.

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# ECONOMIC GROWTH AND SAVINGS

( By HEMALATA ACHARYA )

The Second Five Year Plan has made the Government saving conscious. People in India have been asked to save, to save more, at least to save some part of their income. Recently, the Chief Minister of Bombay outlined a seven-point plan for encouraging people to save. Similarly, in a press note, the Finance Minister of Bombay also underlined the need to save and gave a statistical account of the classes who can save. In the Bombay State, according to him, there are 12 lakhs cultivators paying land revenue of Rs. 20 or more; there are 3.5 lakhs employees of the Union and the State Governments; 3 lakhs income tax assesseees, other than Government servants; 8 lakhs industrial workers getting an annual income of more than Rs. 1,200 and 4 lakh employees in shops and other establishments. Therefore, he concludes that in all there are 3 million savers out of which only 8 lakhs have been mobilised so far. The Finance Minister expects that if we can make consolidated efforts in persuading the people to save, the target fixed by the Bombay State of Rs. 26 crores need not be difficult of achievement. He confuses ability to save and willingness to save.

## Some Facts

But there are facts and figures which

show that the Finance Minister's faith, though sincere, is not well founded. That the net collection of savings have declined in 1957-58 as compared to the savings in 1956-57 can be seen from the figures of both these periods. The net collections in the first half of 1957-58 in the Bombay State are Rs. 5.8 crores compared to Rs. 9.5 crores during the corresponding period in 1956-57. The main decline has been in the Postal Savings Bank deposits. The net collections of Rs. 4 lakhs under this head in 1957-58 (April to August) compared very unfavourably with the net collections of Rs. 3 crores during the corresponding period in 1956. Many National Savings Certificates matured in the year 1957, leading to the return of saved money to the holders. Since the year shows a fall in the net collections of savings, it seems this money has not found its way into the channels of savings organised by the Government, but have gone into other channels.

If we add to these the fact that the National Income registered 17 per cent increase at the end of the First Plan Period, it is rather disturbing that still our search for saving has remained like that of the proverbial blind man in a dark room searching for a black cat which is not there.



And if this supposed increase in the National Income cannot be trusted to enhance the community's savings, what else could be relied upon?

### Development Of Agriculture

Therefore, before we juggle with figures, let us indicate the line of action necessary in terms of the existing situation. If domestic financial resources are to be mobilized, it must be admitted that such financial resources are limited and scattered. And even if by certain successful administrative measure we are able to tap the resources, such resources as would be available would be insufficient to satisfy our growing needs and might perhaps be frittered away in applying these resources where they are least productive. In order to make a little thing go a long way, it requires prudential distribution of resources to those sectors which have capacity to yield results at the minimum cost. If, instead of diverting the resources on erecting school buildings in the C.P.B. areas, the money had been spent on small irrigation schemes, their effects on the economy would have been very favourable from the point of prices and production.

### The Real Problem

In India the real problem is not merely that of finding domestic resources (of course, that is a problem in itself big enough), but of so planning the production in agriculture and industry that the lags are minimized between these sectors. Productivity in agriculture can be said to have risen only if the

marketable surplus increases. This may be of non-food crops required for export industries. And the productivity in industry can be said to have risen only when it is able to supply essential goods to the agricultural sector at prices low enough to tempt agriculturists produce surplus. The terms of trade at the initial stage may act against industry. At the same time, industry must be able to draw off the redundant population (unemployed and underemployed) from agriculture which means, industrial wages (under a free enterprise economy) should be higher than the level of average productivity in agriculture, (marginal productivity being a zero or very close to zero). This presupposes that whatever is produced in agriculture will not all be consumed on the farm, but some portion of it will be marketed. But this is too facile an assumption.

### Shift Of Jobs

It is generally accepted that wherever subsistence agriculture predominates, investment in agriculture does not significantly increase the marketable surplus of food, though the real earnings in agriculture show an upward curve due to the higher consumption of foodgrains by the farm population, and preference for cash crop cultivation. This continues as long as production remains at the level just sufficient to satisfy the rising demand of the existing farm population. Food prices and raw material prices rise and *ipso facto* wages in organized industries. Generally benefits of higher prices are not equally distributed and thus large farmers gain at the expense of the small farmers and the landless. There



might be regional variation on this count. This particular development retards for the time being the process of growth unless measures are introduced to check prices. On the other hand, a shift of workers from farm to factory must be encouraged. An imbalance might exist between the industrial wages and agricultural wages to the extent that the people are disinclined to move. Even if agriculturists earn, they do not save and their high earnings are difficult to mobilise, as they are hoarded in gold. They must be made investment conscious. In the long run earnings in industry are higher and profits considerable. That is not true of agriculture.

### **Not So Simple**

What is required is planned industrialisation so that wastage would be minimized. If we sincerely want to mobilize the resources of the community as more and more of them are produced, we must change the attitudes of the people towards the newly created resources. This will be discussed later. The problem is not so simple. It is not merely of creating employment; it is also that of so planning the industries that the demand increases for such goods as are produced. If the resources are frittered away as they are made available, even in spite of the best of will no development may take place and stagnation may ensue. Import of food may ease the condition of shortage for the time being, but an all time solution must be worked out.

### **The Dilemma**

What has this to do with Savings? Much.

Because, savings are the out come of rising income and the latter are the consequence of the development programme. In a country mainly inhabited by peasantry and where 80 percent of the population directly and indirectly subsists on agriculture, it would be like putting the cart before the horse to ask the people to save before they have cleared off their old debts. One remembers what Marie Antoinette said when she was told that people have no bread to eat. Her answer was simple : 'give them cake'. Are we so unimaginative as to suggest that people should save even if they have nothing to eat ? If we want people to save, they can save only if their income is above the margin of subsistence. If the development is proceeding in the direction which creates bottlenecks, anticipated and unanticipated, naturally the result would not be very happy. Before persuading the people to save, it is necessary to see that enough is there to save and that can be done only through measures which help agriculture and industry to develop simultaneously. In the quagmire that has been traced above regarding the dilemma of development of agriculture and industry, note is not taken of the export market. Where food is in short supply, either it is to be imported or rationed. But this cannot remain a permanent condition. In order that surplus labour from agriculture is withdrawn, another alternative is to develop export industries. But in case where the demand from the home market is not very great, import of food and development of export industries tie our economy to international political



uncertainty and thus make the economy more politically and economically vulnerable.

### Investment And Saving

In India, the development that has taken place so far does not give us any idea as to the real state of the economy. All the schemes specially meant for developing backward areas and rural landscape have not added to our investible resources. Therefore, in the countryside, though much expenditure is incurred on the various projects, its effect on the saving capacity of the people is negligible. On the contrary, it has increased the consumption expenditure. It cannot be denied that the movement of population has taken place and some have settled even in areas where work is available. But such shift is not considerable, neither it is certain that people would not remigrate if the work is completed there. We have been also told that industrial production has increased though most of it is in the assembling line. We are still to go a long way before we can say that we are tolerably self-sufficient even in manufacturing. Most of the production is import based. Therefore, the industrial production is not of such an intensity as to alter the panorama of Indian economy. Measures to improve agriculture have made people indifferent to further change, because their effects are not sufficiently striking and equally distributed. Some of the landless (unemployed or under-employed) have shifted to places of industrial production and their increasing demand for food has added to the food

scarcity. But this shift has not very much affected the rate of savings. Similarly, the changing role of the private sector and extension of the public sector have created a situation in which the total investment has no relation to savings of the community and there is much dependence on foreign markets for money and material. As long as domestic efforts are half-hearted, the economy would not show any sign of development. It is not inflationary finance that has to be dreaded, but it is the inflationary finance which is not preceded by the mobilisation of the domestic resources that leads to inconvenient situations. Inflationary finance is self-liquidating provided care is taken to make it a precondition of building output yielding schemes. Compulsory savings and borrowing programmes also do not give any indication of improvement, while voluntary savings have remained at the low ebb. A further analysis is called for under this item.

### The National Income

It is on account of the activities on various fronts that the National Income increased in aggregate by 17 per cent at the turn of the First Plan period and investment stood at 7.3 per cent of the National Income. But this rise in National Income should not be interpreted as the sign of economic growth. If we want to study the relation between the National Income and saving, that can be done only if we know

- a. how is the rising income distributed?
- b. how much of it is saved?
- c. What is done with the savings? Whether they are hoarded, or invested



in new undertakings or Government bonds, or in purchasing land or in paying off old debts to money-lenders.

The latter two transactions may affect the economy according to what the vendors of land and money-lenders do with the money.

### Writing On The Wall

As to how the rising income is distributed, it would be presumptuous to conclude anything without sufficient data. But there are the writings on the wall and he who runs may read them. Professor Viner writes in this context ;

"Let us suppose, for instance, that a country which has embarked on a programme of economic development, engages in periodic stocktaking of its progress, and finds not only that aggregate wealth, aggregate income, total population, are all increasing, but that per capita wealth, income, production are all increasing. All of these are favourable indices but even in combination, do they suffice to show that there has been "economic progress", an increase in economic "welfare" rather than retrogression"? \*

In order to find out the benefits of rising income, it becomes necessary to have

(I) Quoted by S. Herbert Frankel in Economic \* Impact on underdeveloped Societies, Essay on some Aspects of International Economic Development of under-developed Territories.

OXFORD 1953, P. 58  
from International Trade and Economic Development. The Free Press Glencoe Illinois. 1952.  
Lecture VI, PP. 126-127.

a micro-study of various factors, which affect the distribution of income. To rely on absolute figures for the guidance of getting definite information as to whether ability to save of the classes who are inclined to save has increased or not would be misleading. In the absence of the data, let us accept that in India the following have been the beneficiaries of the rising income (this is subject to modification).

(i) Government servants of all cadres.

(2) Traders, speculators, industrialists, industrial workers, members of various professions so far as they are able to evade taxes and are able to take advantage of rising prices.

(3) A section of peasants, who already owns large land under cash crops, and who, because of its hold over the village and petty officials, is able to take advantage of the new schemes, which are purely meant for uneconomic cultivators.

### Land Reforms

Similarly, land reforms also have changed the class composition in the village and erstwhile tenants have either turned into servants of the landholders or themselves have become landowners by purchasing land from their landlords. This shows that the rising national income has not been favourable to masses of the people except perhaps to the industrial workers (if we take account of their monopolistic position and capacity to bargain) and that too to a limited extent. In the first category there would be only a small percentage who could be classified as the earners of considerably large income while the majority (perhaps about 90 per cent earns



income enough to maintain the family or not even that much). We must also note of their rising commitments towards their family members (marriage, education, death). The second category is the source which perhaps yields enough investible resources, except the industrial workers (they are prone to spend even if their real wages rise) and it is for the Government to prevent the financial resources getting into the speculative channels. Members of various professions contribute very little to savings as their way of life encourages much wasteful expenditure. Third source is the most difficult to tap unless the Government boldly introduces agricultural income tax. Most of the savings of the peasants go into the purchase of land. Since we do not have enough statistical information regarding change of land ownership after land reforms it is very difficult to find out as to what has been done with the money which the tenants paid to the erstwhile owners even though it may be in instalments, and what the landowners are doing with compensation paid to them by the Government in Zamindari bonds. The conclusion is inevitable that there has been no revolutionary change in the distribution of national income so as to favour small savings on a large scale as is contemplated in the Second Plan.

Given this pattern of distribution, the second question how much of it is saved? Is saving a function of real income or money income? If it is a function of the former, the class that can save, is the class belonging to our second category. Under a free enterprise econo-

my it is they who should do saving, because it is they who benefit by rising prices. Arthur Lewis believes that "the ratio of saving to national income is a function not just of inequality, but more precisely of the ratio of the profits to national income".\*

### A Warning

In contrast to rentiers, entrepreneurs, if their profits are rising, can help in raising the rate of saving of the economy. The fact that this is not happening in India may be taken as a warning against undue optimism. The urban middle class and industrial workers do not have inclination to save or ability to save, because the urban standard of life catches up with their incomes, as soon as the latter show any improvement. Peasants in India rarely save and though they live frugally, even better off peasants do not have enough surplus to invest anywhere, and whenever any surplus is visible it goes to the land. Therefore, it is obvious that a very little portion of the rising national income goes to saving, because the rise has not been so significant as to make any difference in the real earnings of the masses of the people.

Third proposition, "what is done with savings," may be divided into two parts. What do the businessmen, traders, speculators and industrialists do with their savings? And what others, i. e. peasantry, professionals, workers and others who may be classified into Warner's - the

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\* The Theory of Economic growth by W. Arthur Lewis. Page 227 George Allen and Unwin Ltd. London 1955.



upper middle and lower middle classes – do with their savings? The first invest or use them for speculative trading, while the second keep them for the rainy day, i.e. marriage, education, and for other occasions depending upon the size of the income and caste status. As the income rises, first it is used for clearing past debts, second to help relatives and some portion of it is spent on house repairs or new construction as it gives prestige to the owner, Next it is utilized for pilgrimage, charity, marriage, feasting, increasing amenities in the household and finally whatever is left is either deposited in banks or invested in securities.

Thus it may be concluded, that, the savings of the Community are too uncertain and too much dispersed, to be of any help in the economic development of the country. This is for several reasons. The small man is not still out of the woods and the pressure of tradition weighs heavily on his purse. When his income rises, his poverty at the initial stage tempts him to satisfy his long awaited needs on various counts. In both urban and rural areas lags in individual's expenditure on small comforts would leave very little margin for voluntary savings. Can we resort to compulsion? Can we mobilise the surplus income through

taxation? These are questions not merely of policy making, but also of political preference. It must be admitted however that the Government should not spare any effort to gain confidence from those who can help them in time of crisis.

### Outside Aid

A country like India can ill afford to think herself capable of developing without outside aid when the time does count. Our acceptance of democratic form of Government should not be an excuse for any diletante solution. Democracy is our strength and it should not be turned into a weakness. Social justice and economic equality cannot be established in a vacuum. They require for their fruition an awareness on the part of the people of what is expected of them. It is wrong to promise utopia to the people under the circumstances when every individual must do his bit to build up the economy anew. Democracy is not a vote catching device, It assumes an educated and consciously cultivated public opinion, extremely sensitive of its duty towards maintaining freedom through the sacrifice of its much cherished material welfare. There is no half-way house between a perfect and efficient democracy and a perfect and efficient dictatorship. Small men will be prepared to make sacrifices only if their faith in the ruler's sincerity is unshaken.



# VILLAGE INDUSTRIES IN C. D. AREAS

(by P. M. Mathai)

According to the Second Five Year Plan "Village and small industries in their different aspects are an integral and continuing element both in the economic structure and in the scheme of national planning. The primary object of developing industries in rural areas is to extend work opportunities, raise incomes and standard of living and to bring about a more balanced and integrated rural economy. Inevitably, in rural areas, the traditional industries have to be given immediate consideration. As the rural economy develops, technical changes will take place in different fields and correspondingly the pattern of rural industrialisation will also change from simple crafts meeting elementary needs to small industries based on steadily improving techniques and designed to satisfy the needs of a more advanced character. These developments will necessarily be spread over a long period; in the meantime, support through legislation and various positive measures of organisation and assistance for the existing village industries is absolutely vital to the stability and growth of the village economy. Thus, the sector of village and small industries is not to be viewed as a static part of the economy, but rather as a progressive and efficient decentralised

sector which is closely integrated, on the one hand, with agriculture and, on the other, with largescale industry."

## Objectives

As recommended by the Karve Committee appointed by the Planning Commission during 1955 and approved by the Planning Commission, the main objectives of the cottage and small scale industries programme are given below :

- (i) to avoid as far as possible, during the period of the second plan, further technological unemployment such as occurs specially in the traditional village industries ;
- (ii) to provide for as large a measure of increased employment as possible during the plan period through different village and small industries ; and
- (iii) to provide the basis for the structure of an essentially decentralised society and also for progressive economic development at a fairly rapid rate.

If, the experience of other countries is any guide, the only correct path for us to follow is, as in the political sphere both at



the national and international level, that of "co-existence". "This concept of co-existence is not a negative but a positive one. It connotes not merely tolerance and forbearance but active co-operation in striving for a common goal an approach, that is to say, which is free from all bias or prejudice or ideological commitment and views the problem purely as a human and practical problem. It is the problem of eradicating human misery in the economic sphere without bringing about fresh human misery, of making poverty give way to plenty but ensuring at the same time that the benefits of plenty are so distributed as not to be confined to any particular class or section of society but, instead, to alleviate the existing hardships and promote the ultimate welfare of the society as a whole.

### Resources

According to the Second Five Year Plan a sum of Rs.200 crores was set apart for development. Council meeting it was expected that a cut of Rs. 40 crores would be made on this and the programme will be reduced to Rs. 160 crores for the plan period.

In the revised programme of Community Development Blocks a sum of Rs. 65,000 earmarked for cottage and small scale industries during the first phase of development for five years and a sum of Rs. 50,000 for five years of second stage of development. Out of Rs. 65,000 provided for the first stage of development Rs. 15,000 are earmarked for starting a programme of industries to give employment for women.

When the Community Project was first initiated in 1952 there was hardly any organisation at the centre or with the State Governments for undertaking a programme of cottage and small scale industries. Since then considerable progress has been made. At the centre the following organisation have been set up attached to the Ministry of Commerce and Industry :

- a) Khadi and Village Industries Commission.
- b) All India Handloom Board
- c) Small Scale Industries Board
- d) All India Handicrafts Board
- e) Central Silk Board
- f) All India Coir Board

The Khadi and Village Industries Commission is a statutory body consisting of non-officials. The Handicrafts Board, although an Advisory Board works *de facto* as an executive body. It also comprises of non-officials.

The Khadi and Village Industries Commission and the Small Scale Industries Board particularly have their regional administrations. The Khadi Commission has zonal Organisers and also experts attached to these Organisers.

As regards the development of small scale industries, the country is divided into 6 zones in charge of 6 Joint Development Commissioners. There are also four Regional Small Industries Service Institutes. It is also proposed to have one major institute in each State besides having

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a number of Extension Centres for various small industries to be located in places where any small industry is predominantly concentrated. For example, extension centres for cycle parts is situated in Ludhiana, for shoe industry in Agra, for lock industry in Aligarh etc. The Service Institutes impart technical assistance and specialised training. Their mobile vans travel into the interior in Community Development Blocks to demonstrate improved technique of production and equipment and train village artisans and also assist them to get such improved equipment and tools on hire purchase system through the Small Industries Corporation.

### **States Industries Department**

As referred to earlier the State Industries Departments were in the past not adequately geared up to render assistance in the field of cottage and small scale industries. These departments in the States are considerably strengthened at the State level as well as at the district level. Extension Officers (industries) are also, after training, being posted in the various blocks. There is arrangement to train about 1000 Extension Officers (industries) per year. An integrated course of one year arranged, four months with the Small Industries Service institutes and eight months with the Mahavidyalayas of the Khadi Commission. These Extension Officers (Industries) when posted in blocks, are mainly trained for organising Cottage and Small Scale Industries in the various industries.

The industries programme in the Com-

munity Development areas is mainly in conformity with the State plans as also the programme of activities of the All India Boards and the Khadi and Village Industries Commission. The chief object is to intensify all efforts for speedy and systematic implementation of various schemes on a coordinated basis with the funds allocated to State Governments by the various Boards commissioned for providing employment to the unemployed and fuller employment to the under-employed. The programme of activities so far taken up in the blocks is mainly as follows:

- i) programme with the funds available under the 'Rural Arts and Crafts and Industries budget of the blocks.
- ii) Minimum programme for cottage and small scale industries depending on availability of funds.
- iii) Pilot Project for industries
- iv) Rural Industrial Estates
- v) Industries Co-operatives.
- vi) Coordination at the State level and at the Centre with the agencies concerned.

(i) These allocations are utilised for training of the artisans either in basic skills or for improvement of their existing skills. This provision is also used for giving stipends to trainees who are deputed to technical training institutions outside the block as well as for giving assistance to industrial cooperative societies for employing particularly supervisory personnel.

### **Minimum Programme**

- (ii) The Development Commissioners'



Conference held at Mussourie, during April, 1957, considered a proposal for a minimum programme for three years for cottage and small scale industries to be undertaken in each block. The minimum programme was to include the following industries which have more or less a universal application in all the Blocks :-

- i) Blacksmithy, including tin smithy.
- ii) Bricks and tile making
- iii) Carpentry
- iv) Leather goods
- v) Tailoring
- vi) Khadi spinning and weaving, including Ambar Charkha.
- vii) Ghani oil crushing
- viii) Soap making
- ix) Bee keeping
- x) Flaying and tanning
- xi) Weaving handloom
- xii) Village pottery
- xiii) Handicraft (cloth printing, mat making, toy making or embroidery and knitting).

The annual Conference on Community Development recently held at Mount Abu, reviewed the position about the implementation of the programme and it was generally felt that the proposed minimum programme would not be possible on account of lack of funds, lack of trained personnel and of facilities available for training further cadres, and the difficulty of implementing certain programme in certain areas owing to difficulties of raw materials and other items that further, it was generally accepted the funds and training facilities available would permit only of a minimum of two industr-

ies in each block having a trained Extension Officer in position. These two industries would be selected from the comprehensive list of industries given under the minimum programme. The programme for Ambar Charkha in each block, for which a separate scheme was being worked out by the Khadi and Village industries Commission, is in addition to the two industries preferred to above. The funds for this programme should come from the Khadi Commission and the All India Boards. During 1957-58, the Khadi Commission earmarked about Rs. 82 lakhs for village industries in blocks and that allotment is increased to Rs. one crore for 1958-59.

### Pilot Projects

(iii) Twenty six pilot projects for cottage and small scale industries were initiated by the Ministry of Community Development in the year 1956. These projects were started with the object of developing cottage and small scale industries in a coordinated and integrated manner taking into consideration, the various schemes of the All India Boards and the Khadi Commission, by developing a pattern of industrial extension service, to act as laboratories for controlled observations, to study the possibilities of developing markets for products of cottage and small scale industries locally and to assess the experience of these projects for multiplication in the various blocks. Work has so far been started in 24 projects out of 26 selected. These projects have now completed about two years of life. The programme in the pilot



projects has been divided into two categories :

- a) Ad-hoc schemes based on the schemes of the Khadi and Village Industries Commission and the All India Boards.
- b) A long range comprehensive programme drawn up after a survey of the areas.

So far only ad-hoc schemes sanctioned by All India Boards and the Khadi and Village Industries Commission have been taken up for implementation in these pilot projects. Separate budget allocation was not provided for these pilot projects. The schemes undertaken in these projects normally have to be financed by the Khadi and Village Industries Commission and the All India Boards. As on the 31st December, 1957, the achievements in pilot projects as a result of the working of ad-hoc schemes are given below:

a) Total expenditure incurred.	Rs. 89,87,000
b) No. of persons provided with full employment.	26,525
c) No. of persons provided with partial employment.	50,769
d) No. of Industrial Co-operative Societies promoted	867
e) No. of artisans trained :	
(i) Basic training	4,155
(ii) Refresher course	2,028

The comprehensive plans for development of industries in the pilot projects were expected to be drawn up as a result of the survey of these areas. These industrial potential surveys have just been completed and reports of half the projects are available and others will be ready shortly. These reports are sent to the State Governments with a view to consider the recommendations for implementation. These industrial potential survey reports indicate the resources available in men as well as material, consumption pattern of the area, projected demands, recommendations for expansion of existing industries, recommendations for prospective industries and other valuable information.

These pilot projects are also have taken up a study of a number of problems which were referred to them for observation. The problems referred to the pilot projects for study cover a wide field and they refer particularly to problems of industrial co-operative societies, production-cum-training centres, how people's participation could be mobilised in promoting markets locally for cottage and small scale industries, financing of artisans, demand analysis, changing the consumption pattern etc. The recent Annual Conference on Community Development held at Mount Abu recommended the extension of the life of pilot projects till the end of the Second Five Year Plan period, namely, March 1961.

#### Rural Industrial Estate

With a view to ensure orderly growth of industries in a planned way and also



to disperse industries in pilot projects, 9 small Industrial Estates costing about Rs. 10 lakhs each had been sanctioned by the Ministry of Commerce and Industry for 9 selected Industrial Pilot Projects. Besides these, the Ministry of Commerce and Industry had earmarked 20 Rural Industrial Estates for Community Development Blocks each costing about Rs. 2 to 3 lakhs with a view to helping the growth of industries on a decentralised basis in the rural areas. These Industrial Estates have been taken up in areas where suitable conditions are available such as availability of electricity, communications, proximity to market and availability of entrepreneurs to start industries in such Estates.

### **Industrial Co-operative Societies**

There are three types of Industrial Co-operatives :

- a) Industrial Co-operatives, which under-take production on Societies' own account and the profit and loss are borne in its corporate capacity :
- b) Industrial Servicing co-operative Societies which undertake such activities as helping in marketing, getting raw materials, giving technical aid, and charging for the service, but the members taking on themselves the loss or gain of production; and
- c) Multipurpose societies mostly having agriculturists as members, but a few artisans being enrolled as members for getting such facility as credit.

Great emphasis is rightly being laid on the Industrial Co-operative as a desirable business organisation to ensure equitable distribution of returns from industry as also to avoid concentration of power in the hands of a few individuals which may be utilised to the detriment of the persons directly engaged in production.

In view of the importance of Industrial Co-operatives, the Government of India have recently appointed a working group to recommend measures for accelerating industrial co-operatives in the country. Their recommendations are expected in July, 1958.

The total number of industrial co-operatives functioning in the Community Development Blocks as on the 30th Sept. 1957 stood at 1,194 with total membership of about 63,400. Out of them, in the pilot projects for cottage and small scale industries, it is reported that 747 co-operative societies with a total membership of about 22,000 are in operation.

### **Coordination**

Till about a year ago attempts have been made to coordinate the activities of of the various Boards, Commission and also work in the Community Projects under cottage industries through the establishment of an Action Committee at the centre in the Ministry of Community Development. Now a Coordination Committee has been appointed by the Ministry of Commerce and Industry under the chairmanship of the Minister, Commerce and Industry. Representatives of the various Board, Planning Commission and Ministry of Community



Development are members of this Co-ordination Committee.

### Marketing

Marketing is a crux of the problem for the development of cottage and small scale industries. As discussed in some of the conferences, India with a population of about 375 millions, provides the largest potential market to promote any big Industrial revolution. But these potential needs have to become felt needs and the people have to gain enough purchasing power to meet their demands. One of the important principles to be borne in the case of marketing the products is to produce the goods that can be marketed or for which a market can be created. It was suggested to have a systematic study of the present and projected demands for the various types of consumer goods, which study is being conducted in the pilot projects. In the notes on minimum programme circulated for the Mussoorie Conference an attempt has been made to indicate in detail the demands for service and new products likely to arise as a result of the development activities and the increasing purchasing power of rural people.

In this connection, particular attention is drawn to the 10 village industries and khadi including Ambar, that were taken for development by the Khadi and Village Industries Commission. These 10 industries meet the primary demands or needs of rural population. The 10 village industries can be divided into two categories, 5 relating to edible items and 5 relating to non-edible items. The items relating to edible industries are bee-keep-

ing village oil industry, palm gur, processing of food grains and manufacture of cane gur and khandsari. The other industries relating to non-edible items are leather industries including flaying, tanning; bone digesters, hand made paper, cottage match, soap making with non edible oils and village pottery. If people specially in the area patronise the products of these industries, a market is assured and thus a large number of rural people can be provided with jobs. People's institutions such as co-operatives and panchayats should play a positive role in ensuring a market for products of cottage and small scale industries locally or regionally. It is the legitimate and natural role of the village institutions to undertake this work. In order to make village communities realise their responsibilities to the large underemployed, unemployed and particularly to village artisans, it is necessary to appeal to the sense of community fellow-feeling and to develop public opinion in favour of the use of local produce. This requires persistent propaganda in increasing use of village industries' produce by not only the leaders of village community but also by the officials entrusted with rural development. In this connection, attention is specially invited to the resolution passed at the Mount Abu Conference, namely: "it is recommended that Government staff, particularly employed on rural development work, may wear khadi and patronise products of village and small scale industries."

### Planning Of Rural Industries

The main source of finance even today for rural industries is the local money



lender. Institutional financing for rural Industries is very negligible. The resources available with the Government are not adequate to meet the pressing demands of rural industries. Shortage of capital and absence of institutional credit agencies are chronic malaise of the rural sector of our economy and this characteristic phenomena are the most serious ones in the field of Cottage and Small Scale Industries, although they form the largest labour intensive and the least capital intensive sector. Practically no institution for financing is available for rural industries except in handloom cooperative societies. The existing Central Banks are shy to finance these industrial cooperatives societies on account of the risk involved and this question is now being examined by a working group for Industrial Cooperative appointed by the Government of India.

### Conclusion

The Prime Minister in his message to the Development Commissioner's conference held at Nainital in May 1956, said that "the time now is for sustained and intensive work. This work must be directed more specially to

- 1) increased production in agriculture, and
- 2) growth of village industries, which should progressively be organised as producers' co-operatives.

The Development Commissioners'

Conference held at Nainital during May 1956 passed a resolution to the effect that

"It is recognised that, in future, the success of the programme of Community Projects will be judged primarily by what is achieved in the field of village and small scale industries the importance of village and small scale industries being recognised next to Agriculture, especially in regard to the landless section of the village community."

In a report of the Estimates Committee of Parliament on the working of Community Projects Programme it was observed that "the developments outside the agricultural sector had not been rapid enough to arrest the increasing pressure of population on land. The development of village industries should, therefore, be as much a matter of State action as the increase of agricultural production."

The Prime Minister again in his message to the Annual Conference on Community Development held at Mount Abu in May 1958 asked "what are our immediate objectives"? and answered: "Considerable increase in agricultural production and more especially, production of foodgrains, and development of village and small scale industries. It is for field workers to put into implementation the high priority that is assigned for the development of village and small scale industries as indicated in these important statements. Conditions are favourable today than any time before. The die is cast. Let us act."



# VILLAGE OIL INDUSTRY IN WEST BENGAL

In the old days the people of Bengal extracted oil from oil-seeds by the boiling process. Oil-seeds were crushed with pestle and mortar and then boiled with water. When the oil seemed to come out of the kernels sufficiently, the kernel particles were separated by sieving with a piece of cloth. The juice thus obtained was again boiled till the water was evaporated and the oil was left in the pan. The more improved process was by pressing out oil from crushed seed which were kept in a sack. The sack was placed between a pair of stones or wood planks under heavy weight or tied together and fastened with strong ropes. In East Bengal, the seed were slightly fried before crushing. The oil extracted from the fried seeds was called 'bhajatel' and was known for its flavour and taste.

The better process of oil extraction in ghanis with animal-power followed. There are two types of ghanis in Bengal. One type is made by digging out a cylinder in a vertical log. The bottom of the cylinder is made concave and a hole or drain is made at the centre to take out the oil. The pestle is fitted tightly into the cylinder. The height of the pestle is about 3 ft. The other type of ghani is made by digging out directly or fitting replaceable parts into a pit, in

a vertical log of wood. The pit is divided into two parts, one socket and the other *kotha*, making a neck between them. The *lat* used in this ghani is made 7 to 10 feet in length. The weight-beam is very heavy, made with the trunk of a tree about eight feet long. There is no drain to take out the oil. The oil produced in it is allowed to stand in the socket till it becomes sufficiently crystal and is then taken out by soaking with a piece of cloth. Two bullocks are used at a time to pull the weight beam and the eyes of the bullocks are kept open. One man used to sit on the weight beam to drive the bullock. The oilmen who used ghanis of the former type are called *Kalus*, and those who use the latter type are called *Telis*. The *Kalus* and *Telis* differ by community and the one does not use the ghani of the other, as change the pattern as are under the superstition that will spoil their caste. However, the total number of persons employed in ghani work in West Bengal is about 22,000 who maintain their families out of the income of the industry. Both these types of ghanis are still used by the traditional oilmen.

In the old days Bengal was self-sufficient as regards oil-seeds. Every villager used to produce oil-seeds for his own family needs. Oil produced from surplus seeds



of the peasants was sold to the people in the towns or to non-agriculturists. In those days ghee was sufficiently available everywhere and in many cases it was used for cooking and preparing sweetmeats. So the oil consumed at that time was less than the requirement of the present times.

### **Decline Of The Ghani**

After the introduction of oil-mills and easy transport facilities by rail, the peasants and landholders found it more profitable to cultivate potatoes, tobacco, sugarcane etc. than oil-seeds. So they began to forsake producing oil-seeds and to purchase mill-oil for their consumption. The towns people and those who were not agriculturists became consumers of mill-oil. Indigo cultivation was also responsible for the elimination of oil-seeds growing in Bengal.

The village ghanis became idle gradually. The price of raw materials for ghanis brought from outside by merchants was too high to compete with mill-oil. The oilmen began to adulterate the oil in order to carry on their business. The result was that they gradually lost the confidence of the consumers. The mill-oil became popular because of its cheaper price. There was competition between millowners as well as the mill oil merchants to popularise their own oil. So they used to adulterate oil in order to sell it at cheaper rates.

### **Cake Is Scarce**

On the other hand, oil-cake which is a very useful thing as human and cattle food, as manure for agriculture and fish and the

best diet for poultry became unavailable in the villages. It was very difficult for the village people to purchase mill-cakes with cash payment. The inferiority in quality of mill-cakes was the other factor which discouraged the people from using them. Thus the production of milk, crops, fish, growth of poultry and cattle health deteriorated. The oilmen with their bullocks and the ghani carpenters became unemployed and were driven to look for other jobs. After the first decade of the twentieth century, oil mills were introduced in India, resulting in the establishment of 61 oil mills and about 500 power ghanis in West Bengal. Between 1911 and 1951 the number of persons employed in the village oil industry was reduced from 22,000 to 3,000. Employment given by the oil mills was about 3,000. Thus 16,000 persons were thrown out of their traditional occupation.

### **Bengal Lags Behind**

The total annual consumption of oil is estimated to be 22,00,000 Bengali maunds at 1 tola per capita per day. The production of oil in the mills of West Bengal is said to be 8,80,000 B. Mds. mill imported from out-side the State being 10,45,000 B.Mds. The balance of 2,75,000 B.Mds. of oil is estimated to be produced by village ghanis

During the Congress Ministry, the ghani Industry was much encouraged in C.I, U.P., Madras, Orissa, and Bihar with State help. But no such attempt was made in Bengal by the Huque Ministry. Some institutions, namely, Khadi Pratisthan Khadi Mandir, Vidyashram etc., carried on the work in country ghanis



with their own efforts, against great odds. The first successful introduction of Maganwadi Ghani in Bengal was done by Gram Sevak Kutir in village Baratala in Midnapore District by manufacturing and modifying the Wardha ghani in its own work shop.

As already stated, most of the fields formerly used for growing oil-seeds are used for growing commercial crops like potatoes, jute, tobacco etc. Due to partition Bengal has lost her fertile portion in which oil-seeds were grown abundantly. Thus it has become dependent on other States in respect of oil seeds.

### Problems

The average annual production of oil-seeds in this State during 1943 to 1953 was 11,00,000 B. Mds. of which 10 per cent is not used by the people for edible purposes. About 29,00,000 B. Mds. of oil-seeds are imported from outside the State. Oil-seeds purchased from merchants and middle men for the ghani Industry are found more or less mixed with seeds of inferior quality. Hence the expected percentage of oil is not obtained. The oilmen or recognised institutions or societies cannot cope with the market. For this reason the artisans and workers are given low wages. To add to these difficulties fodder supplies to milch cattle and the cost of bullock-keeping in village have become very costly. The introduction of huller machines have deprived the availability of rice brans for cattle. These have affected the effective functioning of the village oil industry in the State. The replacement of village ghanis has resulted in the unemployment, of large numbers of

people, deterioration of agricultural production, cattle health and health of the people. So it is necessary to revive this industry with protection from the Government.

Some steps that will help restore this industry are given below :

- 1) Old types of ghanis should be replaced by improved type of ghanis.
- 2) Model demonstration-cum-training centres with improved ghanis should be established in every locality having a population of one lakh.
- 3) Additional officers should be employed in the Co-operative Department to look after this industry.
- 4) Import of mill oil should be strictly restricted.
- 5) Edible oil should be produced by ghanis only.
- 6) Cultivators should be encouraged to grow oil-seeds.
- 7) protection should be given for procurement of oil seeds. Towards this end, the following measures may be adopted :
  - a) railway freight for oil-seeds should be reduced,
  - b) 75 per cent of the fluctuation loss should be met by the Government.
  - c) godowns should be constructed at Government expense in central places for storing oil-seeds. And
  - d) inter-State arrangements should be made to facilitate procurement of oil-seeds.



**Subsidy Needs**

- 8) production subsidy should be granted for ghani oils.
- 9) the State Government should be moved to give subsidy on oil-cake production in ghanis and to make arrangement for marketing the same through the Agricultural Department without any charges to the producers.
- 10) a central laboratory at State headquarters and laboratories in districts should be established to test edible oils.
- 11) tin containers of different sizes should be manufactured in a central factory and should be supplied to the oil producing institutions to facilitate sales by vendors.
- 12) hydrogenated oil which has driven out pure ghee from the market should be replaced by ghani oil.
- 13) iron sheets and angle iron bars should be easily made available to the ghanis at controlled rates.
- 14) arrangements for publicity and propaganda through lantern lectures, conferences and meetings should be made in this respect through the Agriculture, Veterinary Health and Education departments.
- 15) sales taxes and audit fees should be exempted in all cases concerning the village oil industry.

**Production**

Four Model Centres have been established in this State. Besides these, 6 Model-cum-Production centres and 6 Model Centres have been started by the State Government. Fiftyseven Ghani Oil Selling Agencies have been recognised and 260 of them have been registered. Employment was provided to 1,885 persons and 2,330 bullocks. Oil produced with registered ghanis was 9,487 mds. in self-sufficiency and 4,099 mds. in commercial. Oil sold by recognised Selling Agencies amounted to 3,986 mds. Ghani manufacturing centres newly started are 3 in number and recognition to gram Sevak Kutir which is carrying on this work since 1944. Number of improved ghanis manufactured totalled 159.

**Finance**

The State Board, not being statutory, is not able to receive allotment of funds from the Khadi Commission and no financial help could be received for the last two years. This difficulty has been removed by organising a state Federation named the Paschim Bengal Ghani Silpa Samabaya Maha Sangh Ltd. which is receiving financial help from the Commission.

Five District Organisations have been organised which will be registered by this year.

One village has taken to Gram Sankalapa and 7,000 families have taken to parivar sankalpa.



# IN SAURASHTRA

India produces 1/7th of the total production of edible oil-seeds of the world. The world production is estimated at 350 lakh tons per year. Saurashtra plays but a small part. Out of the total production of 11 lakh tons of oil, Saurashtra produces, on an average 4 lakh tons of seeds. In a good year the production rises to 5½ lakh tons while, in a lean year, it stands at 3½ lakh tons.

The mills have a major share on the crushing side. Nearly 64 per cent of the total seeds are being crushed in mills, whereas the village oil ghanis get 36 per cent. With the progress of mechanised industry in the country, the village ghani has suffered most and has to face an uphill task.

## Decline

India had nearly 5 lakh ghanis in 1921, and Saurashtra had nearly 4,000. The number has considerably declined since. By 1951, India had only some 2 lakhs of ghanis and the number in Saurashtra had fallen to 600. Looking from the employment point of view in the last 30 years, over 3 lakh *ghanchis* (traditional oilmen) have lost their employment. As against

this, only 45,000 labourers got employment in mills.

At present, with the efforts of the Khadi and Village Industries Commission as well as the State Khadi and Village Industries Board, the number of registered ghanis has increased; but, nearly half of these registered ghanis are idle. It should, therefore, be the endeavour of all concerned to see that idle ghanis get work and many more are registered.

## Oil Seeds Wealth

Saurashtra produces groundnuts, castor-seeds, sesamum, mustard and linseed in abundance, groundnut production being by far the largest. Out of the annual production of 4 lakh tons of groundnut, nearly 75,000 tons are exported. In addition, 50,000 tons of groundnut oil is also exported. Thus, in all 2 lakh tons of groundnut are used for export. Only the balance is utilised for domestic consumption. This comes to over 80,000 tons of oil.

Oilmills, expellers, baby expellers and rotaries are spread all over Saurashtra, except in the Zalawad District which is not a seed producing area. The total number of oil mills and expellers in Saurashtra with crushing capacity is shown below :

District	Oil Mills	Expellers	Baby Expellers	Rotaries
Capacity in tins per day	250	150 to 250	upto 100	upto 25
Madhya Saurashtra	53	112	9	Nil
Halar	41	96	12	Nil
Sorath	64	113	12	32
Gohilwad	117	93	32	183
Zalawad	3	3	1	Nil
Amreli	19	21	7	Nil
Total	297	438	73	215



These are the number of registered factories whose principal product is vegetable oil and also the number of establishments other than those registered under the Factories Act, engaged in oil pressing and refining industries, inclusive of expellers. As against this total number of 1,023 units, the number of bullock ghanis registered was 905 up to February, 1958.

### Unemployment

The production of groundnut in the State has been steadily increasing and along with it the number of oil mills, expellers, and rotaries has been increasing, too, with the result that the village oil industry is dwindling and the *ghanchis* whose hereditary occupation is oil-crushing, in ghanis, are being increasingly thrown out of employment. The village *ghanchi* clamours for assistance and support against extinction. While the problem of rehabilitation and development of the ghani industry is beset with considerable difficulties, it is felt in all quarters that it has got to be solved in such a manner as would keep the village industry alive. The demand for ghani oil in itself affords scope for the rehabilitation of the ghani industry, provided the present output by oil mills is not allowed to increase.

### The Ghanis

The percentage of oil extracted from seeds crushed in ghani as against mill is less. Therefore, the village oil ghani industry has always to stand at bay before the machine. For the last 15 years, efforts are being made to increase the productivity of the ghani; the *Kolhu ghani* was first devised in 1939. It underwent improvement and the new type introduced in 1942

was known as *Haskell Ghani* and crushed 160 to 200 lbs. of seeds per working day of eight hours. Operated (1946) by electric motor (3 H. P.) this ghani crushed 320 to 400 lbs. seeds per day. That means that its crushing capacity is double to four-fold as compared with other types of country ghani. *Nootan Ghani*: *Nootan Ghani* of less complicated design than that of Haskell Ghani was introduced in 1948 and the latest model of *Nootan Ghani* was in the market in 1952. It is simpler and cheaper than Haskell ghani. The Saurashtra Boards' experiments, however, continued. Then came the wardha and Kallupatti Ghani, which crushed 20 lbs. of seeds in one hour. The Saurashtra Khadi and Village Industries Board, under the Scheme of the Commission, opened a Model Ghani Production Centre at Gadhada, and particularly suited to the *Ghanchis* of Saurashtra, a ghani fitted with ball bearings has been manufactured, and is giving sufficiently good results. The cost comes to Rs. 400 out of which, Saurashtra Khadi and Village Industries Board advances a loan of Rs. 150, and gives a subsidy of Rs. 200. The *Ghanchi* has to pay Rs. 50 of his own. This loan is being advanced only to Co-operative Societies and Institutions, whereas, an individual gets only the subsidy amount.

For an oil mill with the production capacity of 100 tins per day, the capital required is Rs. 2 lakhs, i. e. the capital amount per tin per day would come to Rs. 2,000 whereas a ghani with a capacity of one tin per day requires Rs. 3,000. The employment potentialities of ghani, however, are very great. An oil



mill gives employment to 3 labourers and 12 intermediaries, which means, 15 persons are employed inclusive of the forward market traders. On the other hand, the ghani industry gives employment to 100 persons and 100 bullocks for all the year round, for a production of 100 tins per day.

So far as the consumer in a small village is concerned there is no difference in the price of mill oil or ghani oil. But the ghani industry has to face competition owing to the higher productive capacity of the mills.

The rate structure of selling price would be as follows :

Taking the price of groundnut at Rs. 12 per maund the price for ghani oil would come to Rs. 27 ( $12 \times 2 - 1/4 = 27$ ), whereas, for mill oil, it would be  $24 - 3/4$  ( $12 \times 2 - 1/16 = 24 - 3/4$ ) inclusive of all managerial charges etc. As against this, the ghani industry gets some rebate concessions in the form of sales tax, interest free loan etc.

A trade which was once considered to be a whole-sale trade, has now come down in open competition with the last retail-

trader, and, when the manufacturer becomes the retailer himself, the competition is by far the heaviest. All oil mills now sell retail oil in general having realised that the ghani industry is on the road of survival. The difference in the managerial efficiency is also heavy and the individual *ghanchi* cannot stand in competition with any big unit. A small co-operative society of *telis* has not the resources to meet this competition.

The rotaries and the baby expellers have proved to be heavy odds for the ghanis. Some escape here and there in excise duty may not be as menacing as the exemption from excise duty to the small mechanised units. In order to sustain the village ghani, or to stabilise it, any production of oil through machine should be made liable to pay excise duty. This will save the ghani from the danger which it now faces. The retention power of bigger mechanised units has also its effect on the ghani.

The Saurashtra Khadi and Village Industries Board took up the programme of village oil ghani. A summary of the work done is given below :

Item	1955-56	1956-57	1957-58 Upto Feb. 58
1. No. of Registered Ghanis	310	519	905
2. No. of Registered Co-op. Societies	13	30	34
3. No. of Registered Institutions	16	25	32
4. No. of Members	360	625	727
5. Loan disbursed for stocking oilseeds	53,000	1,12,000	96,000
6. Loan disbursed for Share Capital	—	—	89,412.50
7. Oil Produced in Mds.	25,000	73,080	61,450
8. Model Ghani Centre	2	2	4
9. Ghani Production Centre	—	—	1
10. No. of Improved Ghanis	17	4	31
11. Training to Telis	12	4	—
12. Subsidy on oil Production.			
Saurashtra Board	26,082	90,544.73	81,933.09
Central Board	25,082	90,275.21	81,933.09



Efforts to stabilize the industry have to be made on the following lines :

Initially, the primary co-operative societies of Telis, consumers or multi-purpose societies should be formed ;

District-wise organisation for business should be formed and

Divisional, State and All India Federations should be formed so that the manufacturers and the consumer are secured.

The major factor which a consumer considers is that of the difference in the price of mill and ghani oil. And the major problem that a village *ghanchi* has to face is the oil percentage extracted. The price structure and competition from the mill can well be faced by a *ghanchi* if he gets more price for his oil-cakes. He will have, then, no difficulty in standing against the competition. The mill cake fetches a price of about Rs. 4 whereas, in Gohilwad, the ghani oil-cake fetches a price of Rs. 9 per md. But this is not uniform. On an average, it does not fetch more than Rs. 5 per maund.

The immediate need of a *ghanchi* is housing. He can carry on his job only if he has his ghani established in his own house. Space for storing seeds is another problem and acquirement of land and building godowns thereon are his immediate problems.

Village oil ghani can have a better future if certain seeds are reserved for its crushing. Reservation of sesamum oil-seeds to the ghanis will have a salutary effect.

It has been the experience of all those

who are concerned in the manufacture of ghanis that the right type of wood and that, 500, seasoned wood is not readily available, too or at a reasonable price. Reservation of the particular type of wood required for manufacturing ghani should therefore, be enforced. Transport facilities play an important role, and the ghani industry have preference and priority in the transport field.

Exemption from purchase tax to institutions and Societies should be immediately effected. This industry should have the maximum possibility of Subsidy in the selling price to stand in competition with the mill oil.

Gram Panchayats can play an important role in this field if they resort to proper course. Self-sufficiency in oil is the best way out. The producer of oilseeds in a village should conserve for his own use the seeds and get them crushed through village oil ghani. He will, thus, be saved from the price fluctuations, and the village *ghanchi* will get security of work.

Imposition of heavy octroi duty on the mill-produced oil can help the ghani Industry,

These are but a few points for the revival of village oil ghani industry and restoration of their occupation to *ghanchis*. This aim is hoped to be achieved by replacement of the old type ghanis by improved ones which could yield larger and better output at lesser cost, by getting persons trained in improved organisational methods, by stabilizing Model Centres and by adopting such other ways and means as would ensure efficient working ghanis.



# THE GHANI IN MADHYA BHARAT

( By R. V. UPADHYAYA )

Madhya Bhart occupies a very important position in the ghani oil pressing industry of our country. There was a time when more than 8,000 ghanis were working in this region, but due to the inroads made by the different types of mechanically operated oil mills, the number of traditional ghanis has dwindled to about half, viz., about 4,782. The poor *telis* could not stand the competition of mills set up by those who had larger sources, and many had to give up their occupation.

The ghani oil pressing industry is not a minor village industry which can be neglected. It is estimated that nearly 12,000 persons are dependent on this industry. It is practised all over Madhya Bharat and although there has been a great increase in the number of oil mills, there are quite a few places where oil even to day is crushed in bullock ghanis.

The table below shows the distribution of ghanis and workers engaged in the village oil sector, and the number of oil mills in the various districts of Madhya Bharat :

S. No.	Name of District	Ghanis	No. of Workers	No. of Mills
1.	Gwalior	485	1,275	28
2.	Bhind	1,197	3,035	23
3.	Morena	584	1,515	28
4.	Bhilsa	21	44	2
5.	Rajgarh	348	849	2
6.	Ujjain	135	401	6
7.	Guna	224	624	5
8.	Shajapur	354	920	3
9.	Shivapuri	329	770	8
10.	Dewas	129	299	4
11.	Mandsaur	299	753	16
12.	Ratlam	99	249	6
13.	Indore	50	65	5
14.	Dhar	245	726	10
15.	Jhabua	147	436	3
16.	Nimar	306	681	17
Total		4,782	12,642	116



The table reveals that ghani oil is popular in the Northern parts of Madhya Bharat and in one of the districts, namely, Bhind there are as many as 1,197ghanis.

Sarson, Groundnut and *til* are commonly crushed in these ghanis. These oilseeds are produced almost in every district of Madhya Bharat. Some *telis* have their own land on which they grow oilseeds but mostly they are purchased through dealers, local *swakars* etc.

Though the income for ghani has increased in recent years, it is very low compared to the rise in the general level of prices. A *teli* sells his oil in villages at Rs. 0.50 to Rs. 0.62 a seer. Usually 4 charges are taken in a day. In each charge, about 8 to 10 seers of oilseeds are crushed. It is estimated that the net income of a *teli* comes to about Rs. 0.50 only per charge. So by taking out 3 to 4 charges he can earn Rs. 1.50 to Rs. 2 per day. The ghani oilmen in cities, however, earn more than those in villages.

One of the main problems of this ancient industry, is the inefficiency of bullock ghanis. The age-old crude ghanis are still in operation resulting in lower percentage of oil extraction and hence a low income to the oilmen.

Lack of capital is also a difficulty. Although improved ghanis are being popularised, the poor oilmen cannot afford to have these new ghanis owing to lack of resources.

Apart from these difficulties, the oilmen themselves have not always displayed an

exemplary sense of correct business behaviour.

As the oil ghani industry has got no subsidiary industries yet and the oilmen cannot live fully on it, they have adopted other subsidiary occupations such as running grocery shops, bakery, grain shop, tailoring etc. In the slack season, a handful of oilmen who have got their own lands cultivates the land. In normal times, in some cases, the adult oilman assumes the role of an agriculturist while the children and women stay at home to look after the ghani.

Despite the fact that the number of bullock ghanis has fallen to nearly half, it cannot be said that bullock ghani have got no potentiality. Ghanis can still hold their own against the mills provided patronage on a very wide scale is guaranteed.

The Government of the then Madhya Bharat, with a view to strengthening this industry, started three oil centres in 1952-53 at Jaora, Kavera, and Gohad. These centres crushed 94 mds. 23 srs. and 14 ch. seeds and produced 120 mds. 12 srs. and 13 ch. oil in 1953-54. After the formation of Madhya Bharat Khadi and Village Industries Board in 1954, these centres at Gwalior, Ujjain, Biaora, Dhar, Shajapur, Dewas and Mandsaur. In these centres, the improved Wardha ghanis were installed.

To solve the problem of raw materials and marketing, the Board is organising co-operatives of oilmen.

Besides, to avoid competition, the



Government has levied an excise duty of Rs. 250 a maund on the mills producing more than 125 tons of oil in a month. Each mill has been asked to get a licence and the maximum capacity of production has also been fixed.

Thus, coordinated efforts of the Government and the State Board and popular backing the revival of this age-old rural industry, is bound to bring in brighter days for the oilman's family and his craft.

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## Wealth From Waste

- |   |  |                    |
|---|--|--------------------|
| 1 | MINIMUM PER CAPITA NUTRITIONAL FAT NEEDED                      | : 2.00 Oz. Per Day |
| 2 | MAXIMUM AVAILABLE AT PRESENT                                   | : 0.35 „ „         |
| 3 | OILS AVAILABLE FOR EDIBLE PURPOSES                             | : 11,00,000 Tons   |
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Gandhiji : quoted by  
Lanza Del Vasto in  
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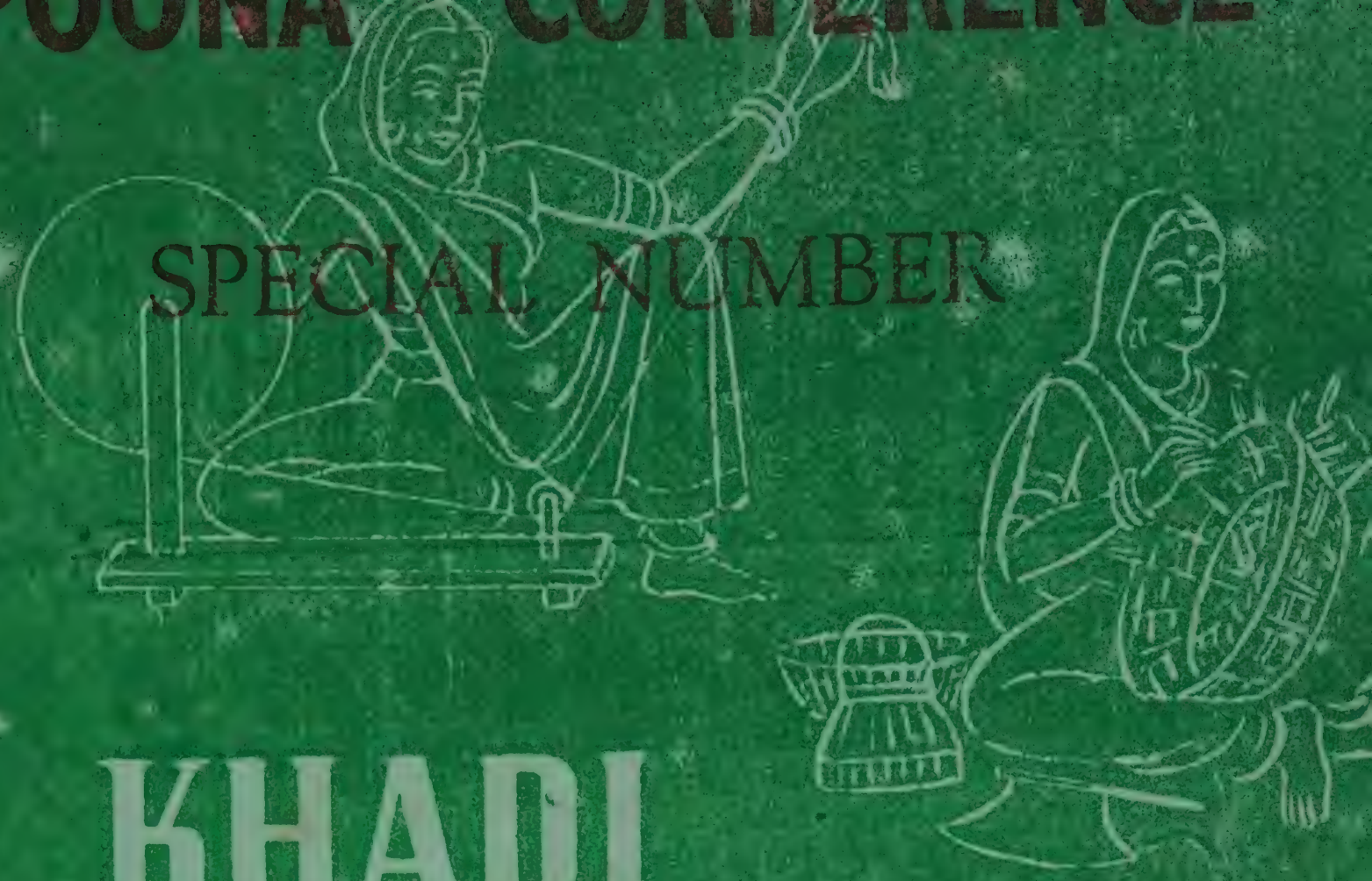




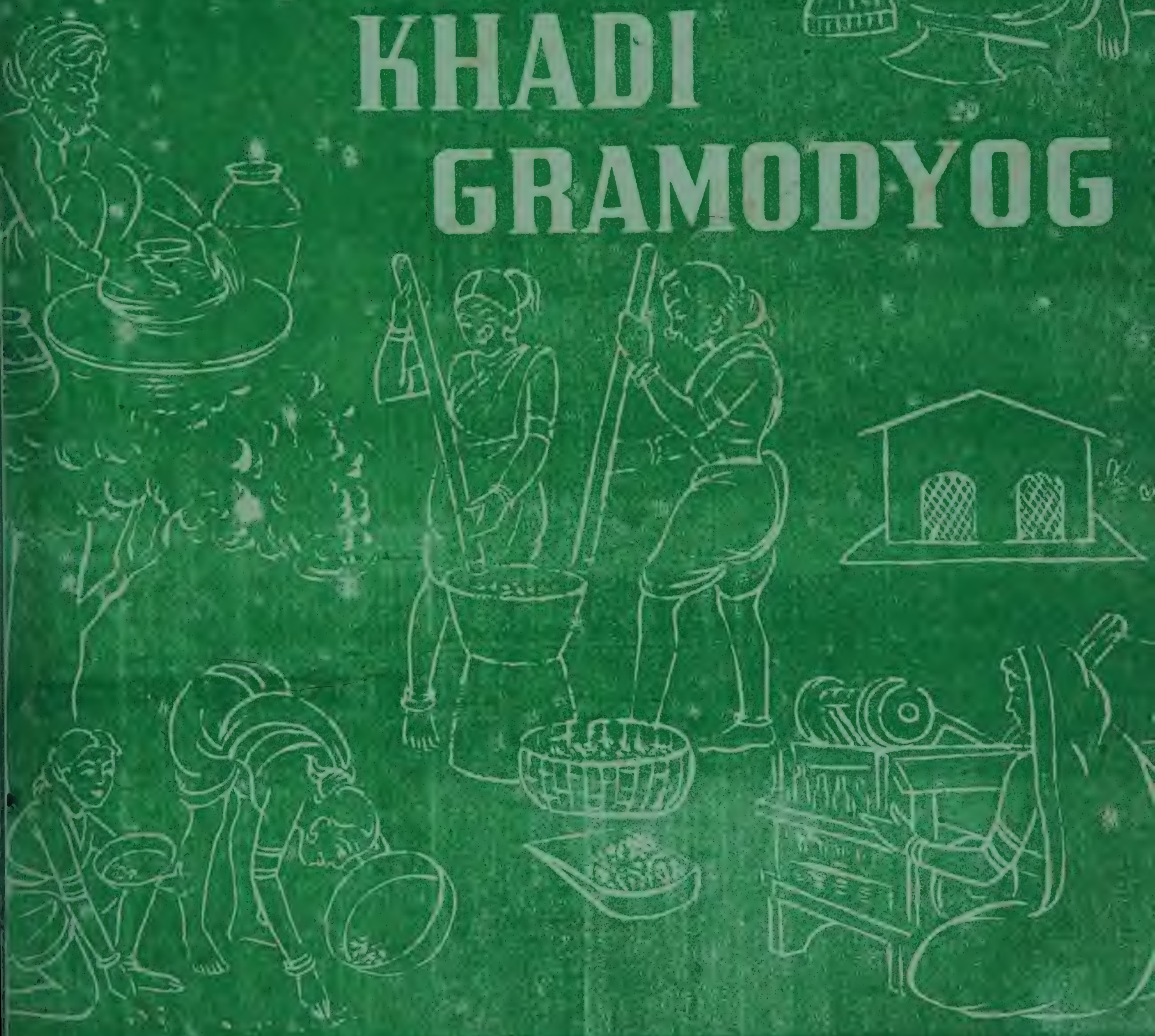
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SPECIAL NUMBER



# KHADI GRAMODYOG



KHADI & VILLAGE INDUSTRIES COMMISSION.



# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

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## MEMBERS

- |                            |           |
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| 3. Shri R. Srinivasan      |           |
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2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries.
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.



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# KHADI—GRAMODYOG

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## ON THE RIGHT ROAD

A period of three years is comparatively a brief one in the history of a movement or an organisation. Nevertheless, the general impression that one gathered at the recent session of the Conference of representatives of State Boards held at Poona in the last week of July was that the atmosphere was very different from what it was when the earlier session was held in 1955. In almost all States not only have boards come into existence, but quite a number of them have been invested with statutory authority under State enactments. Those connected with the Commission as also those associated with State Boards are coming to grips with the problems of organization and development and in the process closer relations are coming to be established between these on the one hand and, on the other, between them and the institutions through which work is being carried. In addition to the older workers, new recruits have been attracted to the movement through both the statutory bodies and the unofficial agencies.

Into the details of the procedural matters that constitute, in a sense, the relationship between these various bodies it is needless to enter here. They represent a stage in the evaluation of inter-relationship from which as work grows we may proceed to another stage. What counts more than the actual formulas that are accepted is the spirit in which we approach the common task before us — of give and take and of comradeship. Let us hope that as long as the

statutory authorities continue to be responsible for the execution of this part of our national plan, they will continue to be animated by such a spirit.

In order that the message underlying this movement spreads and the sense of responsibility grows, it is essential that we aim more and more at decentralization of effort. The decisions arrived at at the Conference to secure this object indicate a welcome appreciation of the principles which should inform all our activities in this field. In the first place, every encouragement should be given to various types of artisans to organize themselves for their social and economic progress by forming Co-operative Societies and by learning to assume responsibility for running them. Active interest in such efforts should be taken by statutory authorities and the quasi-philanthropic institutions now entrusted with the work. To impart strength to these small-sized local organisations and to enable them to enjoy the advantages of large-scale operations, it would be desirable secondly to promote the formation of federations, either on an occupational or on a regional basis. When such a development takes place the functions of the Statutory bodies will be mainly to serve as a link between the organisations of artisans and Government. When that stage is reached, we shall have laid the foundations in our midst of economic swaraj for this sector of our national economy.

—Vaikunth L. Mehta



## GLIMPSES OF THE MAHATMA

Most of us saw Mahatma Gandhi from such a distance and he seemed to be on such a high plane that we scarcely knew what an intensely human man he was. Even those who stood near to him were sometimes surprised at the emotions that Gandhiji showed on occasions. The incidents I would like to refer to occur in tragic circumstances when Gandhiji was last under detention at the Aga Khan Palace at Yerwada. Within a week of his incarceration Mahadevbhai Desai had a heart attack to which he succumbed almost immediately. It must have been a matter of seconds since, before Gandhiji who was in the adjoining room could reach him, life was extinct in Mahadevbhai. Those who were in the Palace at the time were shocked, close as they were to Gandhiji, when they saw the way Gandhiji felt overwhelmed with grief. He had, for the nonce, almost lost his balance and become inconsolable.

The last illness of Kasturba at the same place, a year and half later, was long drawn out. It was obvious to Gandhiji that the end was soon coming. Yet when she actually left this world, Gandhiji felt widowed and found that a part of himself was torn away from him. A saint, such as Gandhiji to my mind undoubtedly was, might have remained altogether in a sense of non-attachment in the face of these calamities. That Gandhiji could not remain unmoved, and gave way to sentiment makes him, in my view, a greater figure, not merely to be revered but also to be loved.

His loving care and concern for the sick and the afflicted were proverbial. At Maganwadi, Wardha, and at Sevagram, included in the daily routine, were not only visits to cottages of those confined to bed in their own residences, but also the examination of out-patients who gathered round Gandhiji's own hut. Probably the examination was followed by a prescription. I may relate here an incident of which I was a witness. When Gandhiji was staying at Juhu in May, 1944, my brother for whom Gandhiji had affection stayed in a

nearby hut. One of my brother's daughters had a touch of fever. The news that she was ill might have been conveyed to Gandhiji by some one. The day he heard it, after the evening prayer – when the family had collected for an evening get-together – in comes Gandhiji and goes straight to the girl's bed, cheers her up and walks out. St. Francis of Assisi could not have improved upon this!

Soft as the petal of a lotus flower, but hard as flint – such was Gandhiji. Two incidents have stuck in my memory. One happened years ago shortly after Gandhiji settled down in Ahmedabad. Seeing the poverty of India at close quarters for the first time in his life, Gandhiji decided upon leading a life of renunciation for himself. But when he took a vow of non-possession, it covered Kasturba, too. So when Gandhiji discovered that Ba had retained two bangles which are auspicious for a Hindu wife as the symbol of saubhagya – Gandhiji's sorrow knew no bounds.

Similar, though even more intense, was his grief when some twenty years later, while at Puri, Mahadevbhai Desai, more or less in a fit of absent mindedness, had said "yes" when asked whether she and Shrimati Durgaben (Mahadevbhai's wife) could see the Puri temple. At that time, all knew that the temple had not thrown open its doors to Harijans. For this reason, it was "out of bounds" for those pleading for the removal of untouchability, but particularly for Gandhiji and those who stood nearest to him.

A lapse on the part of the ordinary run of Gandhiji's followers might be conceivable but not so for one whose whole being was identified with Gandhiji. And yet because it happened, the anguish both experienced was terrible. Gandhiji was ever tolerant and charitable; so was he both with Kasturba and Mahadevbhai. But both were part of his own being and he felt acute pang when apparently, they misunderstood Gandhiji and



stumbled or faltered, since Gandhiji considered the fall of his own. I have read some tales of saints who lived in the past both in India and abroad; but I doubt if in point both of integrity and of poignancy, I have

come across instances which can bear comparison with these illustrations I have cited.

**Vaikunth L. Mehta**  
(Courtesy: A.I.R., Dharwar)

## KHADI COMMISSION AT WORK

Soon after the publication of the First Five Year Plan, the Central Government constituted in February 1953, a body called the All India Khadi and Village Industries Board composed of 15 members. These were Social Workers, mainly connected with the All India Spinners' Association and the All India Village Industries Association, both established by Mahatma Gandhiji. This Board was created to draw up and carry out, on behalf of the Central Government, a programme for the development of Khadi and Village Industries, more or less on the lines formulated by Gandhiji, but with resources placed at its disposal by the Central Government and as an integral part of the national plan.

Shortly after the Board came into existence, it was found necessary to create a smaller body, invested with statutory authority, which could exercise powers, since the Board as an advisory body had to follow procedures that delayed disposal of business and thus hampered smooth functioning. Hence a Commission consisting of five among the members of the Board was constituted on 1st April 1957 under an enactment passed by the Parliament in 1956. An enlarged body continues to function in an advisory capacity.

The Commission has built up its own organisation during the last five years. For every industry other than Khadi, it has a Development Director, with some staff to help each of these Directors. For Khadi, there is a Zonal Director in each of the ten zones into which the country has been divided for this purpose. However, the activities are principally carried on with the aid of State Boards, set up in all States, most of which bodies have been endowed with statutory authority. There is one such State Board functioning for Mysore State. Then there are the old established institutions,

allied originally to Gandhiji's All India Spinners' Association, which engage themselves in the production and sale of Khadi. For other village industries, there are Co-operative Societies or other registered bodies, dispersed all over the country, which put themselves in charge of the programme and become channels for State aid to flow to the various types of artisans.

The resources of the Commission are drawn entirely from allotments placed at its disposal by the Central Government. These are sanctioned separately for Khadi and for other village industries and the allocations are further sub-divided into grants and loans. Where there are statutory Boards in States the funds granted to them by the Commission are supplemented by allocations made by the State Governments. The institutions, Co-operative and others, also occasionally have their own limited funds to draw upon. For the current year the funds by way of grants and loans placed at the disposal of the Commission will be of the order of Rs. 17 crores.

In a short talk it is possible to give an idea only of the broad lines of the development that has taken place in the last five years. The production and sale of Khadi have grown considerably in this period. Production which was under 10 million yards in 1953 has gradually increased to over 40 million yards. Practically all the Khadi that is produced is being sold. The share of the Government in the purchase is hardly 20%. The rest of the production is marketed through newly opened Khadi Bhandars and Emporia. The number of spinners, weavers and other artisans engaged in this industry has risen from 3 lakhs to 10 lakhs. Thus through this section of our economy we have been able to find suitable, productive,



remunerative employment for 7 lakh additional persons. Additional employment through the other village industries has been provided to nearly one lakh persons. Progress in these other industries is not as spectacular as in the field of Khadi production. This is so partly because the institutions in charge are new to the work, but mainly by reason of the fact that, for rural areas, cloth is, undoubtedly, a more essential consumer's commodity than the products of other industries. However, in all the industries such as hand pounding, oil processing, production of soap from non-edible oils, manufacture of hand-made paper, pottery, beekeeping, tad gud production, manufacture of Khandsari, cottage match production, good progress has been achieved.

To this progress, the introduction of new tools and equipment has contributed not a little. The principal technological advance has been in the field of hand spinning, where the Ambar Charkha has brought about a veritable transformation in the production of Khadi. With the aid of the Ambar Charkha it is possible to produce yarn larger in quantity and better in quality than on the ordinary charkha. A trained spinner gets a better wage, the cost of production goes down and an increased output can be ensured. Similar improvements, though more modest in scope, have been introduced in several of the other industries. The Commission has established a research institute at Wardha, where these problems are under constant examination. It has a comprehensive programme for training through short term artisans' courses and at Regional and Central Vidyalayas.

The question is often asked whether Khadi and other village industries have a permanent place in our economy. I defi-

nately believe they have, because they meet a need which, so far as one can see ahead, is likely to persist for the period not only of the Second Five Year Plan, but for many more quinquennial terms. Ours is a predominantly rural economy, perennially in a state of imbalance, because of the decay of rural industries. These industries helped in the past in making use of agricultural and other local raw materials and in absorbing the population surplus to the agricultural industry in occupations other than agriculture. These supplementary occupations, subsidiary industries and rural crafts were carried on in a manner suited to the requirements of rural economy, as full-time or part-time occupations utilising locally produced raw materials and worked by means of simple, often locally constructed, tools and implements. It is an economy of such self-sufficiency that Mahatma Gandhi not only visualised but strove to introduce for the enrichment, material and moral, of the people. It is not so much the economic aspect that influenced Gandhi's thinking in the matter as the wider psychological and sociological aspects. The nation could not rise, he insisted, unless the people were enabled to engage themselves in useful productive activity that could meet daily needs to the largest extent possible through their own efforts and thus could get rid of the sloth that corroded rural economy. It is only when the rural folk have wide variety of economic opportunities opened up to them that the national economy will prosper. Since the programme of village industries fulfils this purpose, it has, it is obvious, a distinct role to fill in the advancement of the Nation.

**Vaikunth L. Mehta**  
(Courtesy: A.I.R., Dharwar).



# MUSINGS OF THE MONTH

(By THE EDITOR)

This number of the "Khadi-Gramodyog" is being issued as a Special Poona Conference Number. In it is brought together the proceedings of the Conference. The account begins with the report of the first day's opening session and contains the Welcome Address of Shri Vaikunth L. Mehta and the Presidential Address of Shri M. Bhaktavatsalam. This is followed by the reports and conclusions of the two Committees into which the Conference divided itself. The two Committees were allocated specific items from the long Agenda of the Conference for discussion and formulation of conclusions for the consideration of the plenary conference. Then comes a more or less complete record of the proceedings of the final plenary session. As an Annexure, the resolutions as finally passed by the Conference have been included. Part II constitutes the Appendices. These contain the Commission's Member Secretary's report to the Conference and the Notes circulated to the delegates along with the Agenda papers. These Notes deal with the several items on the Agenda and they facilitated discussion in the Committees.

## **A Landmark**

This Poona Conference of Representatives of State Boards and other special invitees may be considered a land-mark in the organisational progress of the movement for the promotion of Khadi and Village Industries in the country. Convened by the Khadi and Village Industries Commission, it posed the difficult tasks which face effective institutional direction to the implementation of the various schemes and programmes for the development of these industries. Though these schemes and programmes have been in operation since 1953, the five years had thrown out many intricate and complex problems of organisation which have still to be tackled to achieve demonstrable progress. It is these aspects that came up for discussion before the Conference. Though efforts had been made during these five years to bring into existence State level agencies such as State Khadi and Village Industries Boards, by and large, these efforts have not had the

desired result. Why this has been so, was a crucial point which the Conference had to consider and for which it had to find an effective answer. The Conference it is happy to record, went into this and allied problems with an open mind. The net results of such an approach are reflected in the resolutions passed by the Conference.

## **Impediments To Growth**

Before we deal with the discussion and the resolutions, we would like to bring to public focus certain salient facts placed before the Conference by the Chairman of the Khadi and Village Industries Commission in the course of his welcome address. He particularly referred to the efforts of the former All India Khadi and Village Industries Board and later of the Khadi and Village Industries Commission and to the different directions in which the problems relating to the development of the industries which came under their purview were attacked. In respect of several of these industries special problems arising out of the competition of similar large scale industries had to be tackled. Thus, for example, there was competition in the processing of cereals industry. The rice mills, small and big throttled the development of the handpounding industry. In the oil pressing industry, too the oil mills impeded the progress and full utilisation of the installed capacity of the village industry, namely, the ghani. Though in other industries problems of similar nature existed, their impact was not so pronounced as to call for immediate State action. In regard to both the handpounding and oil crushing industries, the Government of India has taken comprehensive action. The Parliament of India recently passed a Bill providing for the restriction of operation of rice mills in the country, while decision in favour of the development of ghani oil pressing have been announced. The Chairman of the Commission welcomed these measures.

## **Creditable Achievement**

In regard to the Khadi programme, the Chairman had some cheerful information to give to the Conference. Production of



Khadi had gone up during the last five years and employment in it had likewise risen to over 11 lakhs. This meant that in Khadi production activities alone eight lakhs more people had found employment which is nearly equal to the number of employed in the whole of the organised sector of the textile industry in the country. That this additional employment had come to the section of people which is proverbially poor is of great economic and social significance. Without this additional employment these 8,00,000 people would have been deprived of the means to an honest and honourable living. Employment in the village Industries sector, no doubt, was not as demonstrable. Even so, in these industries some 2.4 lakhs of people had found full-time employment, while nearly twice that number were casually or partially employed. In other words efforts at organising Khadi and Village industries during the last five years had brought direct employment—both full time and part time to some 17 lakhs of people. Besides these, some five lakhs of persons were engaged in handspinning to meet their own cloth requirements. They are known as Swavalambis. This, too, has economic significance of its own and it will be reflected in its social impact in rural areas.

### **Greater Effort Needed**

Thus operation of programmes for the organisation and development of Khadi and village industries have had results which have exceeded most sanguine expectations. But we are not and should not be satisfied with these achievements. Sizable though they may be in point of numbers, they are not as satisfactory in point of the quantum of individual earnings. It should be the endeavour of all engaged in the promotion of these industries to so order developmental activities as to introduce greater efficiency in productive activities. This will be possible only through the introduction of improved appliances and methods of production. Efforts in this direction have, of course, all along been in progress. But we must confess that progress has not been very significant. Yet improvements have taken place in several directions and special problems relating to these are being tackled

through research activities and experiments.

### **Ambar Charkha**

The most important result of these experiments and researches is the emergence of the Ambar Charkha. Progress of the Ambar Charkha Programme has not been as rapid and productively as efficient as we had all expected when the programme was adumbrated and finally accepted in a modified form by the Government of India. Still achievements of this programme are not so unsatisfactory or meagre as some critics would have the country believe. In several directions particularly in the field of training spinners and instructors on the one hand, and the manufacture and distribution of the Charkhas, on the other, progress has been, indeed, very encouraging. This should be evident from the fact that over 1,67,000 artisans have been provided with employment under the Ambar programme. As the programme got into stride certain fundamental weaknesses in the field organisation came to light. The Khadi and Village Industries Commission on its own initiative decided that the programme should be surveyed and its organisational aspects reviewed in order that the programme could be better and more efficiently organised and executed. A Committee was appointed by the Commission. This Committee, known as the Zaman Committee, made comprehensive recommendations most of which have already been acted upon, while the others are in the process of implementation. When we discuss or talk about the Ambar Charkha Programme, however, we should not forget that the programme is hardly two years old. To start with, there was no past experience to guide the organisation of the programme, nor tried or experienced agencies to execute it in the manner we all felt it should be executed. The experience of recognised institutions through which the programme is being carried out, was limited to the organisation of traditional Khadi work. This experience and the organisation and personnel they had were found to be inadequate and



needed radical reorientation. Any shortfall in the sum total of the results, particularly in the sphere of production of cloth and yarn, should, therefore, be attributed to the inadequacies of technical organisation and field servicing. These inadequacies are now being attended to and appropriate steps are under way to reorient the institutional programme. Moreover, the Commission has voluntarily accepted a smaller programme and is concerning itself more with the consolidation of the efforts so far made with such additions as can easily be made and controlled efficiently.

Shri Vaikunth Mehta, of course, did not go into all these details in his address. In a review, however, these must find a place so that the whole conference can be viewed against the correct background and perspective.

### **Not So Easy**

Shri M. Bhaktavatsalam, in his presidential address, also touched upon the difficulties he personally had to encounter in his own efforts at organising village industries. "Organising village industries", he said, "requires a special technique and skill which is not easily available in the country. In 1953, I was anxious to do something tangible and effective, but I found that it was easier said than done. Of course, there are and have been great workers in the field of Khadi who have done a lot of pioneering work, but still I found for my own part that it was very difficult to expand successfully the production of Khadi and I found that it was much more difficult to organise successfully the various village industries which work the Khadi Commission has taken up and which it is tackling quite successfully". He paid a tribute to the former all India Khadi and Village Industries Board and to the Khadi and Village Industries Commission whose faith and courage alone have made it possible for programme for Khadi and Village Industries to take root in the country. It was this faith and courage which brought strength not only to the movement, but also to all those who are now engaged in the herculean task of organising these industries without which economic progress in the

country will be impossible.

Following the president's address, the conference divided itself into two committees.

### **Commission And Boards**

The two committees met separately to consider organisational matters and financial and other procedural matters respectively. Discussions in both the Committees were lively and several representatives from the State Boards evinced keen interest in all matters discussed. Discussion on organisational matters focussed attention on several complex problems pertaining to the character, composition and questions of relationship between the Commission and the State Boards, on the one hand, and between the State Boards and other institutions already engaged in these activities, on the other. As to the character of State Boards, representatives from the States were very keen that the State Boards should be the central authority of control and direction within the State. They were eager that all allocation of funds to the several agencies functioning within the States should be made by these Boards and that the Commission should stop all direct assistance. In this connection the decisions of the previous two conferences also held in Poona in 1954 and 1955 respectively were cited. Those Conferences had decided that the policy of the Commission should be to bring institutions directly assisted by it gradually under the administrative supervision of the State Boards. Spokesmen of these Boards felt that these institutions were still outside the purview of the Boards and they could be brought under them only if financial assistance now directly given by the Commission to them is channelised through the State Boards. Unless this is done, the State Boards will not be in a position to assume responsibility for the activities of those institutions, nor will those institutions accept supervisory guidance from the State Boards. There will, therefore, be a dual agency engaged in the promotion of the same activity. Such a situation, apart from being anomalous, might lead to unnecessary tensions, if not, conflicts.

### **Their Composition**

Then in regard to the composition of



the State Boards, the question arose as to whether officials should be included as members of these Boards. The previous Conferences had laid down that the number of members of a State Board should not exceed 15 and that the majority of them should be non-officials. It was also laid down that the Secretary should normally be a non-official, though if the State Government so desire, they might appoint a Joint-Secretary from among its officials. Here a new element entered into the discussions, arising out of the recommendations of the Zaman Committee which said that the Development Commissioner in each State should be included as a member of the State Board. This was to ensure effective coordination of activities in the Community Development areas. The point concerning "Official" and "non-Official" gave rise to some very hot controversy. There was one point of view strongly urged that non-officials with experience of constructive work alone would be able to create the necessary atmosphere in favour of these industries. There was the other view which was also very strongly presented by two officials who were among the delegates, that such discrimination was a slur on officialdom. It was not adequately realised in the heat of this controversy that the distinction was made by the two previous conferences not in any carping spirit, but with the best of intentions to achieve the best of results.

### **The Why Of It**

The considerations which weighed with those conferences, when they came to that decision, were that officialdom had little experience of constructive work of the type represented by the promotion of Khadi and Village Industries which grew out of Gandhiji's movement for rural awakening and development. These activities called for a certain intellectual and philosophical attitude and approach apart from social dynamics in the interpretation of economic benefits. Even today, the interest, so far as the Government is concerned, in these programmes is conditioned mainly by their employment potential. But development work for Khadi and Village Industries is not merely an employment giving proposition. It embraces within its ambit the whole gamut of re-

ordering rural economy and society. This required a particular approach and attitude and a certain relationship with village communities and problems and acceptance of certain ethical and human values. This called for a certain spirit of sacrifice, renunciation of material comforts and worldly pleasures and dedication to the service of the poor and the under-privileged masses. These qualities had not permeated officialdom generally, as the relationship of the Administration of the country with the population in the villages had not been in the past happy or all that could be desired. In such circumstances, it is essential that programmes of this nature should be taken up and sponsored by people who have established intimate contacts and have been operating in large areas, though widely distributed. It is, therefore, not a question of "official" versus "non-official", but question of relative preference in order to achieve quick results in the organising of these programmes.

### **Changed Situation**

Now that Khadi and Village Industries programmes have been accepted as part of the national development programmes and as such constituted an official programme, the distinction of "official" or "non-official" is theoretically at least redundant. But the fact still remains that officialdom in general has not shown any special aptitude or enthusiasm to establish that intimate contact with village problems and people which is so essential for the success of these programmes. Still, in the new situation and orientated Government policies, officials have an important place in the successful working of these programmes and should, therefore, be actively associated with the agency implementing them. When the position was so explained, the earlier heat in the controversy gave place to an appreciation of the earlier decisions and in the acceptance of the position that the Secretary of State Board should normally be a non-official and that an official may be associated in an administrative capacity with these Boards. In regard to the inclusion of the Development Commissioners as members of State



Boards also there was some difference of opinion, but it was ultimately recognised that for the success of the programmes in the Community Development Areas it was essential that the Development Commissioners should be actively and intimately associated with the working of the State Boards.

### **Board And Institutions**

The question of the relationship between the State Boards and the Commission, on the one hand, and of the State Boards and the Institutions directly assisted by the Commission, on the other, evoked considerable discussion. As already stated, representatives from the State were keen that the State Board should be the sole directive agency within a State and should function within the area of their jurisdiction in the same manner as the Khadi and Village Industries Commission functioned on the national level. On behalf of the Commission the position was explained that normally the Commission would deal only through the State Boards and channelise its assistance through them. Except in certain circumstances, no direct financial assistance would be given by the Commission to institutions. Such institutions as received assistance directly at present would continue to receive the same until such time as they came within the supervisory purview of the State Boards and the State Boards themselves have established effective coordination of their work with them. The need for such coordinated effort under the aegis of State Boards was recognised by the major institutions for whom Shri Kapilbhai of Gandhi Ashram, Meerut, spoke.

### **Touchy Topics**

Arising out of this particular discussion were the questions regarding organisation of new institutions and federations of smaller institutions. The first question arose because of the peculiar situation created by the proposal to set up a new cooperative society for Khadi work in an area where a registered institution was already operating. Growth of new bodies in such areas, it was contended, affected the work of the institution already established and had been functioning. Ordinarily, it should

be considered objectionable for new institutions being started in areas already covered by another institution. Instead of facilitating smooth progress, such a development only thwarted the scope of expansion of the activities of the established organisation without any particular advantage to working of schemes and execution of programmes. There are vast areas even in district levels where Khadi and village industries work has not spread. In the organisation of new institutions, it is always desirable that virgin areas are taken up. If an established institution however, desires that areas not covered by it should be taken up for development and for that purpose would be willing to extend its co-operation to a new body, these new bodies could come into existence in those areas. Thus viewed, the question should not at all have arisen. But it appears that there is a trend in certain areas to have new institutions established where an institution already functioned. May be, its coverage has not been extensive in that area at a given point of time. But if the record of its activities and the resources at its command give promise of that institution being able to take over the entire area for its own operation within a reasonable period of time, it would be only arresting the growth of these activities by insisting on bringing into existence new organisations in that area. It is not a question of preference of a cooperative society over that of a registered institution or vice-versa.

### **The Issue**

The issue is whether the institution already operating has the resources and the capacity to take over the entire area which it had accepted as its field of operation. If it has these in its favour, then the question to be decided will be whether it is advisable to promote the new institution to operate in the same area. Such questions, wherever they arise, can be settled by mutual discussions between the sponsors of the new institutions, on the one side, and the representatives of the established institutions, on the other. Where such discussion did not yield agreed results,



the State Board will certainly use its good offices to bring the two parties to an understanding through an on-the-spot enquiry or survey. In all such matters the primary consideration should be not to countenance growth of mushroom institutions, but to facilitate effective work. A new institution can take up work in newer areas on an intensive basis. After all, our object is to expand and to introduce Khadi and Village Industries work in all parts of the countryside and to cover all areas.

### **New Trends**

In this connection, it is worthy of note that some of the big registered institutions have begun to realise that they have grown so big that it has become difficult for them to function effectively in large areas without devolution of organisation and authority. Thus, for example, the Khadi-Gramodyog Sangh of Bihar which has its headquarters at Muzaffarpur, has launched on a scheme of decentralising its organisation with devolution of power to local units. Considerable initial work has been done in this direction and already groups of villages have been brought into circles where local committees have been entrusted with the work of promoting Khadi and Village Industries in that circle. The Rajasthan Khadi Sangh, too, has followed in the foot-steps of the Bihar Sangh. In U. P. the Gandhi Ashram, Meerut, has launched on a scheme known as Gramodaya Scheme. The pattern is slightly different from that followed in Bihar and Rajasthan. But the end sought to be served is more or less the same. Down South, in Madras State, the Tamilnad Branch of the Sarva Seva Sangh has also set up a number of Gramodaya Sanghs with autonomous functions. Thus, on the initiative of the big institutions themselves, a movement has been set in motion for decentralisation of organisation and devolution of authority.

### **The Right Approach**

When the atmosphere is thus being created in favour of smaller units taking up Khadi and Village industries work in compact areas, the controversy which arose at the Poona conference over the question of starting of new institutions was, to say the less, unnecessary. The institutions themselves have

realised the need for new organisations to take up this onerous activity in newer and newer areas so that there can be concerted effort to cover the entire countryside with Khadi institutions – cooperative or other. The decision of the Conference that the work of Khadi and village industries should be decentralised and for this purpose it is necessary to promote the formation particularly of cooperative societies of artisans while at the same time recognising the desirability of ensuring continuity of development, was inevitable. Where institutions meant for large areas actually work in a small area, the needs of the area not covered by the established institutions deserve especially to be considered. There can be no two opinions about this and it should be obvious that both the State Boards and the established institutions should interest themselves actively in the organisation of co-operative societies to serve these areas. In respect of the determination of the areas the State Boards can constitute a Committee consisting of one more of its own members, the Zonal Director of the Khadi Commission, representatives of the institutions concerned and a nominee of the Co-operative Department of the State to examine the position. Thus are co-operation, coordination and better understanding promoted.

### **The Federations**

Then, on the other question of federations of smaller institutions also there was a keen debate. Listening to the points of view expressed in the debate it almost appeared that there were misapprehensions about to innocently a proposition. It was feared by some that the move to bring into existence federation of institutions was a subtle attempt to by-pass the authority of the State Boards and to make the small institutions function independently of them. It was left to Shri Vaikunth Mehta to set the proposition straight by clarifying the intentions behind the formation of such federations. While everyone talked about decentralisation, there was not sufficient appreciation of the common needs of small decentralised units of production – needs which they could not meet acting individually. The object of forming such federations is



no more than pooling of resources and assistance in order to provide for the federating units the advantages of large-scale production particularly in respect of common services, processing and technical facilities. In the initial stages such a federation could embrace both the institutions registered under the Societies Registration Act of 1860 and co-operative societies. When the proposition was clarified in this manner, there was unanimity of approval.

### **The State Boards**

A problem which caused some concern during the discussions pertained to the State Boards themselves and their powers. The Reorganisation of States in December, 1956, had created anomalous situation for Statutory State Boards which were functioning in many of the States before the reorganisation. Consequent upon the reorganisation of States areas have either been taken away from one State and added to another or old States have been merged with others. This has affected the jurisdiction of the State Boards. It was found that where State Boards have been constituted in reorganised States, except in the case of Punjab and Kerala, these Boards could not operate in newly included areas or in alienated areas. No doubt, Section 109 of the Reorganisation of States Act had provided for such contingencies. Under this section the old State Boards can carry on their activities in alienated areas until new arrangements are made by the reorganised State to set up a new State Board with jurisdiction over such areas. Perhaps, old State Boards were either unaware of this, or did not give adequate attention to it. The facts, however, cannot be ignored that certain anomalies had arisen.

### **Their Powers**

Even in respect of new State Boards constituted by the reorganised States, it was found that they, too, cannot exercise jurisdiction over newly included areas of those States. The difficulty in these matters arose out of a lack of appreciation of the new procedures necessary to regulate the jurisdiction of these Boards in these areas. Provisions in the Inter-State Corporations Act which was passed in 1957, lay down

certain procedures to be followed in regard to the working of Corporations set up by the State Governments before the reorganisation. The procedure demanded that the State Governments should apply to the Central Government for inclusion of the Statute setting up these Corporations in the Schedule to the Inter-State Corporations Act and then, when this is done, the State Governments again should put up proposals to the Central Government for the setting up of a new Corporation which will have jurisdiction over the whole of the reorganised State. The State Boards functioning before the reorganisation of States came within the purview of the Inter-State Corporations Act. Initiative, therefore, had to come from the State Governments. When the enactments constituting the old State Boards had been included in the Schedule to the Inter-State Corporations Act and after the Government of India had accepted the proposals of the State Governments to reconstitute or to set up new State Boards had also been approved, the State Governments were required to enact new Statutes. Where these procedures have not been formalised, the new Statutory States Boards cannot function in areas included from other States following the reorganisation of States.

### **Need For Action**

This position was explained during the discussions and the Conference called upon the State Boards to re-examine their Statutes constituting them and take appropriate action in order to enable them to function effectively in the whole of the reorganised State. State Governments which were about to introduce bills for setting up Boards in their States were likewise requested to see that the necessary formalities are completed before proceeding with their bills. Allied to this, was another point pertaining to the powers of the State Boards. An examination of the Statutes passed by several of the State Governments showed that the State Boards vested with Statutory authority had their powers limited or restricted in many matters. These affected the efficient functioning of the State Boards and sometimes defeated the very purpose for which these Boards have been constituted. The Conference felt that unless the



State Boards had powers similar to those conferred on the Khadi and Village Industries Commission, it would be difficult for them to act effectively in the implementation of the scheme for the promotion of Khadi and Village Industries within the States. The Conference, therefore, called upon the State Boards and the Khadi Commission to examine the provisions of the Statutes under which the States Boards have been constituted and to frame suitable amendments in them for the acceptance of State Governments. While enacting such amendments, the Conference hoped that the State Governments would act in consultation with the Khadi Commission.

### **Staff Requirements**

Other important matters relating to the State Boards and their functions comprised of expenditure for Staff, allocation of funds and interest charges on loans given by the Khadi and Village Industries Commission, submission of regular periodical progress reports and disbursement and utilisation certificates, execution of hypothecation deeds, sharing the losses arising out of the implementation of programmes for Khadi and Village Industries, provision of share capital to co-operative societies and other institutions and evaluation of the work in the field. On all these questions there was detailed discussion during which the difficulties faced by the Boards were effectively pointed out. A complete exchange of views and information resulted in an appreciation of the views expressed on behalf of the Khadi Commission under each of these heads.

Especially on questions relating to the staff for State Boards and submission of utilisation certificates, the discussions revealed that State Boards suffered from inherent weaknesses. Effective implementation of approved schemes, which required adequate operational staff, on the one hand, and prompt disbursement of funds by the Commission to the Boards and by the

Boards to the institutions, on the other, called for efficient field organisation. If the State Boards have not been effective in the past or have not been able to function at all, the reason pointed out was that they had neither the administrative and supervisory staff at their disposal, nor were they provided the resources to appoint the personnel required for the purpose. In the absence of these operational facilities, it was impossible for them to have supervisory checks and controls and in the absence of these it was well-nigh impossible for them promptly to disburse funds and provide utilisation certificates which could be produced only when proper audits had taken place. The Khadi Commission had itself appreciated this position and had put up a proposal providing for financial assistance to Boards to enable them to have certain essential staff to attend to development and implementation of schemes. The Conference considered this proposal and came to the conclusion that the assistance should be equal to 4 percent of the total amounts placed at the disposal of the Boards.

### **Great Promise**

Looking back at the three days' discussion in Poona between July 25 and 27, therefore, one got the impression that of the three conferences of this nature so far held, this year's Conference was the most satisfying and businesslike. On no question which the Conference discussed was there a desire on the part of the participants to be hypothetical. In exposition, approach and attitude everyone was eager to get to the grass-roots and find out workable solutions of the many problems and difficulties which faced them. Experience of the past few years, it appeared, has had a sobering and chastening effect. It was inevitable, therefore, that the discussions were pointed, the views expressed informed and the decisions taken practical and unanimous. To sum up: the Poona Conference was a great Conference with great promise for the future.



# THE POONA CONFERENCE

Over 100 delegates representing State Khadi and Village Industries Boards, State Governments including seven Ministers and representatives of important institutions participated in a three day Conference at Poona. The Conference which was convened by the Khadi and Village Industries Commission, met at the Council Hall on 25th July, 1958 and concluded its deliberations on the evening of 27th July, 1958. Shri Vaikunth L. Mehta welcomed the delegates and Shri M. Bhaktavatsalam, Minister for Agriculture, Madras, presided over its deliberations.

This was the third conference of its kind. The first two Conference were held in November, 1954 and August, 1955 respectively. This year the Conference had before it a heavy agenda which covered a wide range of subjects, all very important for the efficient organisation and functioning of the State Boards, on the one hand, and the implementation of the Khadi Commission's schemes through them, on the other.

## New State Boards

One of the important subjects that engaged the attention of the Conference pertained to the reorganisation of the States towards the end of 1956 and the consequent re-distribution of areas between the States. This had created administrative problems for the State Boards insofar as they affected the areas transferred

from one State to another or merger of one State into another. Though Section 109 of the Reorganisation of States Act, 1956,—\*had provided for Statutory State Boards to exercise jurisdiction in the areas covered by them before the reorganisation of States until such time as new statutory bodies in the reorganised States took over from them, the alienated areas suffered from a sense of uncertainty.

## Need For Action

During the discussions it was further found that even though new State Boards had been formed in several of the

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\* Section 109 reads: (1) Save as otherwise expressly provided by the foregoing provisions of this Part, where any body corporate has been constituted under a Central Act, State Act or Provincial Act for an existing State the whole or any part of which is by virtue of the provisions of Part II transferred to any other existing State or to a new State, then, notwithstanding such transfer, the body corporate shall, as from the appointed day, continue to function and operate in those areas in respect of which it was functioning and operating immediately before that day, subject to such directions as may from time to time be issued by the Central Government until other provision is made by law in respect of the said body corporate. (2) Any direction issued by the Central Government under sub-section (1) in respect of any such body corporate shall include a direction that any law by which the said body corporate is governed shall in its application to that body corporate have effect subject to such exceptions and modifications as may be specified in the direction.



reorganised States, except in the case of Punjab and Kerala, none of the new State Boards could have jurisdiction over the whole of the reorganised State. The Conference drew the attention of the State Governments and State Boards to this fact and urged them to initiate steps under the appropriate sections of the Inter-State Corporations Act, 1957.

### **Composition**

On the composition of the State Boards, the Conference reiterated the decisions taken at the previous conferences, namely :

that the number of Members of a State Board should not exceed 15,

that the majority of the Members should be non-officials drawn from among constructive workers,

that the Secretary should normally be a non-official, and that in a State enactment where no specific exclusion of officials has been provided for, the Development Commissioner should be included as a member.

Instead of a Joint Secretary drawn from the officials of the State Government, the Conference decided that an official might be associated with the State Boards in an administrative capacity and that the official would be appointed by the State Board.

The Conference also took the view that the State Boards should set up Standing Finance Committees for the proper administration of funds placed at their disposal and allocation of funds to institutions and industries.

### **Institutions And The Boards**

Another question that evoked lively debate pertained to the administrative con-

trol of State Boards over non-official institutions engaged in the work of promoting Khadi and Village Industries. Spokesmen of the State Boards were insistent in their demand that the Khadi and Village Industries Commission should take early steps which would not necessitate direct aids to these institutions from the Commission. It was their view that all aids should be routed through the State Khadi Boards and all agencies implementing schemes for Khadi and Village Industries within a State should come under the purview of the State Board concerned.

### **Coordination**

The Conference also discussed questions relating to effective coordination of work in the Community Development Areas, work in Gramdan villages and Federations of Small Institutions. On these the Conference decided that in the State Boards, a senior member should be entrusted with questions relating to work in Community Development Areas, that they should set apart a certain percentage in their budgets for expenditure in Gramdan villages and that they should encourage formation of federations of small institutions as such combined effort brought to them the advantages of the economies of scale as in large-scale enterprises.

### **Other Problems**

Other questions discussed at the Conference referred to procedural matters such as periodicity of reports, furnishing of disbursement and utilisation certificates in regard to funds placed at their disposal by the Khadi and Village Industries Commission, responsibility for



losses, Hypothecation Deeds and quantitative and qualitative evaluation of the results of the activities undertaken by them.

On the whole, the Poona Conference was a business Conference and those who had come from the States evinced keen

interest in every item that came up before them for discussion and decision.

To assist the representatives from the States with information and other details about the schemes, the Khadi Commission's Industry Organisers and Zonal Directors were available.

## THE WELCOME ADDRESS

The Conference opened at 2 p. m. on July 25.

Welcoming the delegates to the Conference, Shri Vaikunth L. Mehta, Chairman of the Khadi and Village Industries Commission said :

"It is my privilege, on behalf of the Khadi and Village Industries Commission, to welcome you all to this, the Third Session of the Conference of representatives of State Khadi and Village Industries Boards and of State Governments where no Boards have yet been started. The first of these Conferences had the honour of being inaugurated at Poona in November, 1954 by the President, Dr. Rajendra Prasad, who, as you are all aware, has always evinced a deep and abiding interest in the activities we have undertaken. In August, 1955, we had in Poona, again, the second of these Conferences; while in June, 1956 a Conference was convened in new Delhi by the Ministry of Production which was then in charge of the programme for the development of Khadi and village industries. The third of these Conferences convened by the all-India organisation is, appropriately enough, again held in Poona. It is but appropriate that we meet in Poona, because apart from its historical and cultural traditions, Poona was the fountain-head of

inspiration, at the commencement of the century, for the Swadeshi movement, at any rate on this side of India.

### Between Conferences

"Since we met last in Poona three years ago, many events have taken place which have had a vital bearing on the furtherance of the cause for which we stand. The erstwhile All-India Khadi and Village Industries Board functions no longer in the manner it used to do then. A statutory body has been created, the Khadi and Village Industries Commission, composed of five members of the old Board, and Statutory powers have been conferred on this body. To advise and assist this Commission there is an advisory Board, consisting of the members of the erstwhile Board together with a few more members appointed when the Board was reconstituted under the new enactment. The law provides for a Financial Adviser being attached to the Commission. The new arrangements came into force on 1st April, 1957. It is a matter for gratification, particularly to us members of the Commission, that all the old colleagues, who do not form part of the statutory authority, continue their association with the activities that have been



statutorily entrusted to us, in the same spirit and with the same energy and enthusiasm as in the previous four years.

### **State Boards**

"Another step forward has been the creation of Boards in States where they were not in existence and the conferring of statutory authority on such Boards in quite a number of States. When my colleague, the Member-Secretary of the Commission, submits his reports to the Conference, he will place before you fuller details of these developments. By periodical visits to the States paid from time to time by my colleagues and myself, we have tried to keep in touch with the work of State Boards, both statutory and advisory. For exchange of views, representatives of State Boards have often taken the trouble of visiting us at our headquarters in Bombay. A special word of gratitude is due to State Boards as also the State Governments for the response they made to the Commission's invitation to send representatives to a series of business meetings we convened in Bombay a few months ago to discuss and settle the financial implications and details of our common programme for 1958-59. Even then, however, the Commission considered that it would be necessary to follow up these discussions by a Conference such as this one, where representatives from all States could gather together in one place, at the same time.

### **Karve Report**

"When we met last in Poona in August 1955, the Village and Small-Scale Industries Committee (Karve Committee) had not completed its labours. It submitted its report a little later in the year, indicating

the spheres of production that could be assigned to, if not reserved for, various village industries during the period of the Second Five-Year Plan and thereafter. By and large, the pleas put forward in the interest of village industries by the erstwhile Board were upheld by the Karve Committee. The underlying assumptions of the recommendations made by the Karve Committee were, broadly accepted by the Planning Commission, as were the Committee's proposals about the financial provision to be made, in the Plan, for village and small-scale industries. As against the sum of Rs.30 crores, in round figures, which represented expenditure incurred on these industries during the period of the First Five-Year Plan, the allocation made in the Second Five-Year Plan is of the order of Rs. 200 crores. This figure, it is mentioned, is exclusive of the loan requirements for these industries except in the initial stages. It is exclusive also of the programme for the Ambar Charkha, which then was undergoing examination, both technical and financial.

### **Ambar Programme**

"A pilot project for the Ambar Charkha was shortly thereafter sanctioned by the Central Government which was worked out by the Akhil Bharat Sarva Seva Sangh. The results of the first few months' working were subjected to a critical examination by a Committee of inquiry presided over by Shri S. S. Khera, the then Secretary of the Ministry of Production. On the basis of the recommendations of this Committee, Government approved of the programme for the introduction of the Ambar Charkha in 1956-57, which programme came into



operation in the second half of the year. A slightly enlarged programme for the introduction of one lakh additional charkhas came subsequently to be approved for 1957-58; and now for 1958-59. I refer to these events because my colleagues and I consider that this programme for the extension of spinning on the Ambar Charkha ranks high in the order of priorities that we have to adopt. Judging by the financial allocations which the Central Government have been pleased to make for this purpose during the last three years, we may well deduce that the same also is their own view of this part of our programme. Our success in developing village industries from the points of view either of the production of an essential article of consumption, or of the provision of additional employment or for the reorganisation of rural economy on the basis of self-sufficiency may well be judged both by the public and by the planning authorities on the strength of the success we achieve in putting through this part of our common programme. For this reason, I would particularly invite your attention to the comprehensive recommendations of Zaman Committee appointed by the Commission in 1957. A series of valuable suggestions have been made for the efficient working of the programme, which need to be given effect to without delay.

### **Progress Of Schemes**

"It is now a little over five years since, in pursuance of the recommendation contained in the First Five-Year Plan, the Central Government created the All-India Khadi and Village Industries Board. From time to time, we at the

Centre and the Boards in the States have published accounts of the progress of our activities. It is not for us to judge the results of our efforts. We have to be satisfied with setting forth facts and to let the facts speak for themselves. Taking the Khadi industry first, we find that during these five years Khadi production — which in its previous history of 35 years had rarely exceeded the figure of a crore of yards—is now of the order of 5 crores of yards. Previously, the number of persons who found employment in this industry never exceeded 3 lakhs. Now the figure is over 10 lakhs. Achieving an increase of 7 lakhs in this one field in less than five years is significant when we set this against the negligible rise recorded in the number of persons absorbed in all the large-scale industries during the same period of five years. Besides, we must note that while industrial development of the large scale variety, as it has generally proceeded so far, has led to concentration of population and the growth of slums, the expansion in the decentralised production of cloth has resulted in the diffusion of employment in the countryside, raising the level of the incomes in a sector of the population where incomes are proverbially low.

### **Village Industries**

"Some of you will recollect that at the first Conference we put forward the viewpoint that the Plan for the Second Five Year period should be informed by certain broad principles which would ensure not only the continuance but also the expansion of such village industries as constituted an



integral part of our rural economy. One of the industries we had in mind was the hand pounding of rice. The recommendations in behalf of this industry made by the Karve Committee and the Rice Milling Committee were broadly endorsed by the Planning Commission. In order that suitable action could be taken along the lines generally accepted, Parliament enacted at its last session legislation to regulate the working of rice mills. Power to enforce this law is to vest in State Governments. As soon as the necessary legal and procedural formalities are completed, we should see that the necessary restrictions are imposed on rice mills in all parts of the country in the interest of the local processing industry and of better nutrition. All State Boards have to exert themselves to ensure the satisfactory enforcement of the law and for the expansion of the hand pounding industry to meet the requirements of both rural and urban areas. In the last few years, the production of hand processed rice has increased as also the number of those engaged in the industry. But if new mills are not to come into existence, as we all desire, the additional demand must be met by the rapid expansion of the Hand Pounding Industry.

### **Ghani Oil**

"The need for formulating a common production programme for the village oil industry was also in our mind when we met last. In response to our representations, the Central Government appointed the Oilseeds Crushing Industry Inquiry Committee, on the recommendations made by which action has recently

been initiated by Government. The installed capacity of the large-scale section of this industry is large enough to meet the additional demand for oil that may arise in the period of the Second Plan. The other side of the picture is that large numbers of Ghanis are going out of use, even in the country side. In some States it is now possible under the Essential Commodities Control Act for State Governments to put a stop to the starting of new oil mills and State Boards have to exercise vigilance to ensure that this policy is followed. That, however, is only the negative aspect of the matter. The Ghanis that may have gone out of use have to be set to work and fuller work has to be provided for those employed part-time. This is an organisational effort which has been set in motion already. The number of Ghanis thus aided and the oil production have increased. Improvements in Ghanis have been effected which secure more efficient production. But I need hardly emphasise that these efforts have to be greatly intensified when we plead for restrictions on the large scale industry. Allied to this industry is the industry for the production of soap out of non-edible oils. In the last couple of years this industry has made good progress. Even small units turn out soap which compares well with the mill product, both in price and in quality.

### **Satisfactory Response**

"I shall not tire your patience by a similar detailed description of the other industries which are covered by our operations. Progress in all the spheres



has not been as striking as in the field of Khadi. But to our efforts at revival and reorganisation, the response has been almost invariably satisfactory. Beekeeping, handmade paper manufacture, palm gur production, production of gur and khandsari, all these record increases in production and in additional number of persons employed.

### **Cottage Match**

"Separate mention has to be made of the cottage match industry which has an immense employment potential and which can be developed without detriment to the growth of our scarce forest resources. While this is comparatively a new industry, special steps have to be taken to promote the reorganisation of the tanning and leather industry, one of the oldest of our indigenous industries and one of the most essential for the enrichment of our rural economy. In order to help the Commission to formulate and put through comprehensive plans for the industry, a special advisory committee has been constituted, with whose cooperation the Commission hopes to render effective aid to the large numbers engaged in these occupations

### **Vinoba's Support**

"There is one recent trend to which I must refer before I conclude. I believe we should consider ourselves fortunate that Acharya Shri Vinobaji Bhave has, during all these

years, looked with considerable sympathy upon the activities of the Commission and the cognate bodies in the States. The link between the village industries and the Bhoodan movement he has initiated have grown closer with its reorientations. The act of Gramdan, Shri Vinobaji emphasizes, has to be succeeded by the reordering of the rural economy. For all those working on the land, supplementary occupations have to be found and the reorganisation of village industries undertaken to make the rural economy one of maximum self-sufficiency. Just as village industries have the best prospects for success in rural areas where the village community plans its economy on a self-sufficiency basis, so also, as part of the reordering of rural society in the wake of Gramdan, an all-out effort has to be made to diversify the rural economy by the development of local processing and other industries and crafts. The objectives of both the movements are the same and hence the greater the degree of coordination that is ensured, the brighter the prospects of nationwide progress. If we have at our back support from the State, equally do we need, all the time, the backing of a popular movement such as that inaugurated in Gramdan villages under Shri Vinobaji's inspiration."

Shri Mehta, then requested Shri M. Bhaktavatsalam, to preside over the deliberations of the Conference. The proposal was accepted with acclamation,

## **THE PRESIDENTIAL ADDRESS**

Delivering his presidential address, Shri Bhaktavatsalam said :

"I am deeply grateful to you for this honour and privilege you have conferred

upon me by asking me to preside over the conference of the Representatives of the Khadi and Village Industries Boards and of the State Governments



and other institutions in the various States of this country. It is, indeed, a very important conference meeting at this historical place for the third time. There will be stock-taking of the work that has been carried on all these years. There will be exchange of ideas and experiences among the various representatives coming from various States and I do hope that this Conference will result in revitalising the programme that we have chalked out for ourselves and that has to be carried out.

"Since we met last at a conference like this, the Khadi and Village Industries Commission has been constituted. Before that, since 1953, the All India Khadi and Village Industries Board had been functioning and that Board did a lot of pioneering work. Now the Commission has taken upon its shoulders this vital work of promoting the development of Khadi and village industries in our country.

### **Difficult Task**

"Organising village industries requires a technique which is neither easy nor easily available. In 1953, I was anxious to do something tangible and effective, but I found that it was easier said than done. Everybody could appreciate the importance of village industries particularly in our rural economy, but it is very difficult to organise in any tangible way some of the industries; including khadi. Of course, there are and have been great workers in the field of Khadi who have done a lot of pioneering work, but still I found, for my own part, that it was very difficult to expand successfully the production of Khadi and I found that it was much more

difficult to organise successfully the various village industries which work the Commission has taken up and which it is tackling quite successfully all this time. Let me, therefore, at the outset, express on your behalf and on my own our sincere tribute to the valuable services that have been rendered formerly by the All India Khadi and Village Industries Board and now by the Khadi and Village Industries Commission. It is their faith and enthusiasm, it is their encouragement and support which have made us take up this work and carry on the same with some satisfaction. The Khadi and Village Industries Commission has indeed given a new life and reorientation to our programme.

### **Three-Fold Objective**

"As pointed out by Shri Vaikunthbhai, our objective is three-fold, namely,

- 1) Production of essential articles of consumption,
- 2) provision of additional employment, and
- 3) reorganisation of our rural economy on the basis of self-sufficiency.

"But our main emphasis in chalking out this programme of Khadi and village industries is providing employment in this country where there is large unemployment. These small industries have got enough potential capacity to employ people. It has been assessed that for the same unit of capital you can employ eight times more in a small industry than you can employ in a large industry.

"In Coimbatore, there are as many as 40 textile mills and there are a number of



engineering and other factories. But, with all that, the total number of workers employed in these factories is only about 40,000 which is not even one-sixth of the population of Coimbatore town. If a new mill is to be started which can employ 500 workers, there is a queue of 2,000 workers before that mill.

### **The Only Way**

"It should be obvious to everyone that we cannot provide employment for the millions of unemployed by starting more large scale industries. We have to look to the village industries, if we have to provide more employment to the people who are starving because they can find no employment. As our Prime Minister says: 'to wear khadi should be an honour.' It is not only a symbol of equality, but it also provides employment to the people. No one can argue against that. But, still, there are critics who are either prejudiced or ignorant. Some responsible legislators in my State ask me why I take up the cause of promoting Khadi as against the handloom; but these people do not know that khadi is woven on the handloom !

### **Economic Realities**

"Apart from providing employment, taking into account the economy of our country, we have to bestow attention on the question of supplementing employment and supplementing earnings. Ours is an agricultural economy; but the land that can be made available for cultivation is limited and the population is large and it is fast increasing. We must realise that the capacity of the land is limited not only in the matter

of providing full employment, but also in the matter of providing sufficient earnings for the workers. Therefore, we must look into the aspect of subsidiary employment in this country. If a worker cannot earn sufficiently for his family, then the women folk of the family should also work. But the women in the villages cannot afford, even if work is available, to leave their homes and children and go out for work.

### **Critics Answered**

"It is, therefore, that the village industries should come to the rescue of the person who is looking for employment and who is suffering because his earnings are meagre. Easily it is pointed out that those who are engaged in Khadi and village industries are not able to earn much. Of course, compared to the earnings of workers in factories, these earnings are smaller. There are certain workers, some of whom struck work some time ago - I know they are earning Rs. 250 per month. There are a few factory workers who earn sufficiently in order to be assessed for incometax. But they are only a few. There is a tendency in certain quarters to ignore the large percentage of persons who do not find employment at all and those who make very inadequate earnings. For solving this problem, you cannot find - I believe no economist can find - a better solution than the programme of Khadi and village industries. It is really gratifying to see from the figures given by the Chairman of Khadi Commission that the number of employees under the Khadi programme has gone up from 3 lakhs to ten lakhs. About 7 lakhs have got some employment under the



Khadi programme. Otherwise, they should be starving. We are certainly interested in improving the condition of these workers and in improving their earnings. But, at the same time, we must also take into account the marketing aspect of the product of these workers. We have to pay the worker, adequately though not on the scale of the factory worker. But we have to take into account the purchasing capacity of the people. Khadi has to be sold.

### **Ambar Charkha**

"So, Mahatma Gandhi had been emphasising from the outset the need for research, the need for marketing. As a result of continuous research, we have now evolved the Ambar Charkha. I do hope that we will make further progress. Ambar Charkha, of course provides the possibility of increasing the earnings of the spinner and also reducing the cost of the cloth. I am glad to notice that, thanks to the encouragement and support given by the Commission, the Ambar Charkha has been taken up seriously in this country. Everywhere people want Parishramalayas, people want facilities for taking to Ambar Charkha in villages. I have no doubt that the Commission has been devoting considerable attention on the research aspect of these industries.

### **Handpounded Rice**

"The Chairman has referred to some of the other village industries which have been seriously taken up by the Commission. Handpounding of rice is one of such industries. The main emphasis of it, as I have understood it, is the employment

potential and the nutrition aspect. Formerly people used to think of and see hand-pounded rice only on rare occasions. But now several industrial co-operatives have been organized and they have taken to hand-pounding of rice. There are several co-operative societies, as distinguished from industrial co-operatives, who have also taken to hand-pounding of rice. But they come to me in my State for help in the marketing of the rice. So far as hand-pounded rice is concerned, I must confess that this is mainly consumed in our hospitals and jails. The co-operative societies which convert paddy into rice, also come and ask me for allotment to jails and hospitals. I used to ask them, why they want allotment to jails and hospitals. Can't they sell the rice outside? If they produce, they must be able to market it. But they feel that the prospects are not quite good, for consumers have not taken to prefer this hand-pounded rice in spite of the propaganda. Production, of course, is going on. But still apart from steps that could be taken under the law to regulate and restrict the pounding of rice in mills, I am afraid you will have to carry on some intensive propaganda in favour of the consumption of handpounded rice.

### **Ghani Oil**

"But regarding oil, I am glad to tell you that the hand-processed oil is really popular. There is demand everywhere on the part of consumers who feel and tell us that they cannot find such pure oil from the factory. And we have been going ahead with this programme of organising oil ghanis. There are other industries



which have been taken up by the Commission, for example, bamboo, paper, etc. One problem that we have to tackle in the matter of organising these industries is marketing. We have to pay some attention to this aspect of marketing even taking into account oil which, as I have pointed out is popular amongst the people. We have to look into the marketing aspect

of these industries if they are to thrive well and expand as we wish them to do.

"Friends, I shall not take any more of your time. You will go in two groups and discuss the subjects marked for these groups and will again meet on the 27th to consider the recommendations of these groups. Now I shall request the Member-Secretary, Shri Kapadia, to present the report of the Commission."\*

## COMMITTEES FORMED

After the Member-Secretary had presented his report, Shri Vaikunth L. Mehta told the Conference that they were all expecting Shri C. V. Bhatt who was Deputy Secretary in the Cooperative Department of the Bombay Government to join them in the deliberations. Shri Bhatt was to have taken charge as Chief Executive Officer of the Khadi and Village Industries Commission. He had been relieved to take up his new post only very recently. But fate had decided otherwise. Shri Mehta said he had received the sad news of his sudden demise and gave expression to the sense of regret they all felt at this tragic event.

Shri Mehta referred to the notes circulated to the delegates on the Agenda before the Conference and said: We will meet in open session at 8 a. m. on the 27th July. But before that, this Conference will divide itself into two Committees. These Committees will discuss the two sets of specific subjects as have been shown in the agenda and submit their reports and conclusions to the plenary session. Committee No. 1 will be presided over by Shri R. S. Hukkeri-

kar. The Secretary will be Shri C. K. Narayanswami. The Chairman of Committee No. 2 will be Shri Haribhau Upadhyaya and he will be assisted by Dr. J. D. Sundram. The Members of the Commission will make themselves available to both these groups. The delegates can announce their choice of the Committee on which they wish to serve.

After we disperse I would request the members to have a look at the Ambar Charkha demonstration and the match industry demonstration in the lobby. The demonstrations are very interesting. They can also have a look at the various maps and charts. Then after taking tea upstairs, the Committees can meet round about 4-30 p.m.

The Governor has extended an invitation to us all to tea at 5. p. m. on Sunday, the 27th and with the cooperation of you all we should be able to finish the programme by that time."

The two Committees met separately on the evening of July 25 and the whole of July 26. The Agenda before the Committee



No. 1 consisted of the following items :

1. Difficulties in the working of the State Boards and suggestions for making their work more effective.
2. Modifications in Acts constituting State Boards, so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission.
3. Jurisdiction of State Boards consequent upon the reorganisation of States.

#### 4. Staff for the State Boards

a. Nature and strength of staff to

be provided.

b. Preference to be given in selection of staff to persons trained in Khadi Gramodyog Vidyalayas and Mahavidyalayas.

5. Special arrangements for work in Community Development Areas Schemes, Gramdan Villages, Co-operative Federations and State-wise Institutions particularly for Ambar Charkha Programme.

The following is the list of delegates who constituted Committee No. 1:

#### COMMITTEE No. 1

Name	State	Designation
1. Shri Bhagawanth Rao	Andhra Pradesh	Minister for Industries and Endowments
2. Shri Ramanand Tirth	Andhra Pradesh	Hyderabad Khadi and V. I. Board
3. Shri S. M. Rahman, I. A. S.	Assam	Secretary Assam State Board
4. Shri J. V. Shrivastava	Bihar	C. E. O., Bihar State Board
5. Shri L. P. Shahi	Bihar	Dy. Minister, Cottage Industries, Bihar
6. Shri Manubhai Baxi	Bombay	Hon. Secretary, Saurashtra K. and V. I. Board
7. Shri Dindayal Gupta	Bombay	Chairman, Bombay V. I. Board
8. Shri S. S. Rajagopalan	Bombay	Secretary, Bombay V. I. Board
9. Shri K. Damodaran	Kerala	G. K. S. Tirubathis Kerala.
10. Shri K. Balakrishna Marar	Kerala	Secretary, Kerala Khadi and V. I. Association, Trichur.



Name	State	Designation
11. Shri K. S. Menon	Kerala	Secretary, Kerala Khadi and V. I. Board.
12. Shri Ekanda Warrior	Kerala	Member, Kerala State Board.
13. Shri Madanlal Agarwal	Madhya Pradesh	Member-Secretary, Madhya Bhatat. K. & V. I. Board.
14. Shri A. N. Parmar	Madhya Pradesh	Asst. Administrative Officer, M.B.K. & V.I. Board.
15. Shri M. Bhaktavatsalam	Madras	Minister for Agriculture.
16. Shri S. V. Hallekari	Mysore	Chairman, Mysore K. & V. I. Board
17. Shri Shring Kamath	Mysore	Secretary Belgaum District Khadi Gramodyog Sangh
18. Shyi V. Sitaramaiyya	Orissa	President, Orissa K. & I. Board.
19. Shri A. K. Banerjee	W. Bengal	Dy. Secretary, Cottage and Small Scale Industries, Government of West Bengal.
20. Shri A. Bhattacharya	W. Bengal	Puschim Bang Khadi Kendra.
21. Shri Chiranjilal Sharma	Rajasthan	Secretary, Rajasthan Khadi and V. I. Board.
22. Dr. Yudhvir Singh	Delhi	Chairman, Delhi Advisory Board.
23. Shri S. Balaraj	Delhi	



24. Shri Raojibhai Patel

Member-in-Charge, Hand  
pounding of Rice, Khadi  
and Village Industries  
Board.

25. Shri T. B. Bhatt

Organiser, Handmade  
Paper Industry.

26. S. S. Singh

Organiser, Village Oil  
Industry.

27. Shri R. M. Ranade

Dy. Zonal Director, Ujjain,

28. Shri B. K. Patel

Dy. Organiser, Hand-  
pounding of Paddy.

29. Shri Sushilendra

Asstt. Organiser, Village  
Pottery.

## REPORT AND DECISIONS OF COMMITTEE NO: 1

### **Item No. 1 of the Agenda : Difficulties in the working of the State Boards and suggestions for making their work more effective :**

The note on the subject circulated to the delegates attending the Conference was read. The following points from the note were discussed:

- (i) Relationship between the Khadi and Village Industries Commission and Statutory State Boards;
- (ii) Composition of State Boards;
- (iii) Decentralisation;
- (iv) Schemes in the States;
- (v) Funds for staff of State Boards.

On the first point, the Committee decided (i) that the decision taken on the subject in the previous Conferences be reiterated. These decisions were: That the Khadi and Village Industries (Commission) should implement its development programmes

through the Statutory State Boards and disburse funds to them for the purpose. In view, however, of the difficulties experienced by the (Commission) in this matter, on the one hand and in view of the continuing need to assist the registered institutions already in the field carrying on the work of Khadi and Village Industries on the other, the Commission may in exceptional cases continue for some time to assist those institutions. However, in cooperation with the State Boards, it should create such conditions in which those institutions can be brought within the jurisdiction of the respective Statutory State Boards. Towards this end, the Conference recommends in the first instance that such institutions should send their reports regularly to the State Boards and that representatives of such institutions might be appointed as Members of the State Board (2) that where a given State Board is unable to implement the development



programme for an Industry or to attain the given target of production undertaken by it or where the State Boards experience special difficulties in actual work, the balance of the unfulfilled quota of the production may be taken over by the Central Board (Commission) to attain the given target of production, and (3) That in future all schemes of Khadi and Village Industries prepared by the State Boards should ordinarily follow those drawn by the Commission to ensure uniformity of approach and similarity of estimates of required funds. If the State Board has either new schemes or schemes which are slightly or substantially different from those of the Central Board, such schemes may be separately submitted for consideration of the Central Board."

Regarding composition of the State Boards, the Committee decided that the Secretary of the State Board should normally be a non-official member and that an officer of the Government may be associated with the work of the Board in an administrative capacity in place of a Joint Secretary mentioned in the resolution of the previous Conference. Such office will be appointed by the State Board.

The note on the subject stated: "the work of 'decentralisation' has created some confusion in the field of Khadi and Village Industries. What actually happens is that at some place where a particular institution organizes its work on solid foundations, some workers start another institution. The new institution attracts some workers of the old institution to itself

by offering financial temptations and then approaches the Central Board for financial assistance. Caution should be exercised in the case of formation of such mushroom institutions which wean away workers from existing institutions. It is not decentralisation but fragmentation".

The Committee after discussion came to the following decision :

"That no new Society shall be allowed to come into being in places where old Societies are already functioning. Where a particular institution is meant for a bigger area, but is actually working only in a small area, the question of establishing new Societies for the rest of the areas uncovered by the established institution may be considered. In any case, no institution or society should be started in an area covered by the operations of the established institution. In respect of such matters, a local Committee formed by the State Board, and representative of the Board, the Zonal Director of the Commission and of the institutions concerned, may examine the position and advise the Board in the matter".

The Committee decided that "in respect of modified schemes where additional expenditure over the amount sanctioned by the Khadi and Village Industries Commission is involved, the State Board concerned shall approach the State Government to provide reasonable funds to meet the additional expenditure.

The note pertaining to this subject was considered. The Committee took the



following decision :

"That 4 per cent of the amounts allocated to the State Boards for implementation of the schemes by the Khadi and Village Industries Commission may be permitted to be utilised for expenditure on staff required for the organization and implementation of the schemes".

**Item No. 2 of the agenda-Modification in the acts constituting State Boards, so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission :-**

The notes on the subject were considered. It was pointed out that in the enactments constituting the Statutory State Boards there were provisions in the case of several of these enactments which restricted the powers of the State Boards in matters like borrowing, budgeting execution of schemes trading activities, etc. and did not invest them with powers such as have been given to the Khadi and Village Industries Commission under the Central Act. It was desirable that those restrictions should be removed. The Committee therefore, decided:

"that the statutory State Boards where they have been constituted be requested to examine the provisions in the State enactments constituting them and to forward to the Khadi and Village Industries Commission proposals in regard to the nature of the amendments necessary in those enactments in order to give them similar powers as have

been given to the Khadi and Village Industries Commission. On receipt of these proposals for amendment, the Khadi and Village Industries Commission may be requested to approach the State Governments concerned to have the amendments effected in their enactments constituting the State Boards, and the State Governments may be requested to consult the Commission before introducing any amendments to the respective State Acts".

**Item No. 3 of the agenda : Jurisdiction of State Boards Consequent upon the Reorganization of States.**

The Committee discussed problems that had arisen consequent upon the Reorganisation of States under the States Reorganization Act 1956. The notes circulated on the subject with annexures were read. Discussions revealed that certain difficulties had arisen. These difficulties referred to the implementation of schemes through State Boards in areas which were covered by these Boards before Reorganisation. Instances of Kannada areas in the new Mysore State and of Marathwada in the Bombay State were cited. The old State Boards which had jurisdiction over these areas ceased to have such jurisdiction after Reorganization of States. Consequently, these areas became neglected. Until new Statutory State Boards with jurisdiction over the whole areas of the re-organized states came into existence, these areas would suffer as implementation of new schemes which were in progress and introduction of new schemes could not



be taken up. It was pointed out that the situation could be corrected only if the Union Government take the initiative under the Inter-state Corporations Act 1957.

Smt. Johari, Deputy Secretary to the Government of India, Ministry of Commerce and Industry pointed out that the initiative lay with the State Governments. The State Government concerned have first to submit their applications to the Government of India for inclusion of the provincial Act constituting the Boards in the Schedule to the Inter-State Corporations Act. This application will be examined by the Home Ministry at the Centre, and on its acceptance, a Government of India Order will be issued to include the Act in the Schedule. The instance of the Madhya Pradesh Government's proposal was cited. Shri R. Srinivasan clarified the legal position and procedures involved under such matters. He cited Section 109 of the States Reorganization Act and several Sections of the Inter-State Corporations Act and made the following points :

- (i) Under Section 109 of the States Reorganization Act, bodies corporate such as Statutory State Boards could continue to function in areas over which they had jurisdiction before the Reorganization Act came into force even after 1st November 1956 till such time as new arrangements under law came into force in the reorganized States.
- (ii) To remove the anomalies arising out of the Reorganization of States Vis-a-vis Jurisdiction of State

Boards over areas added to or taken away from erstwhile State, the Parliament had already enacted the Inter-State Corporations Act which provided, *inter-alia* :

- (a) For the re-constitution, re-organization and/or dissolution of a Corporation constituted under any of the Acts specified in the Schedule to that act.
- (b) Section 5 of the Inter-State Corporations Act permitted the Central Government to Specify in the Schedule any other Act, Central or Provincial, under which a body corporate constituted by a State Government was functioning in two or more States by virtue of Section 109 of the States Reorganization Act.
- (c) Section 2 of the Inter-State Corporations Act also defined an Inter-State Corporation as 'any body corporate constituted under any of the Acts specified in the Schedule and functioning in two or more States.
- (d) Sections 3 and 4 provided for the submission of suitable schemes to the Government of India for the transfer of assets and liabilities, etc. with regard to such areas as well as to enable the Government of India to pass the necessary administrative order.
- (e) On the issue of such an order by the Government of India after its acceptance with or without modifications of such schemes, the order will be notified and published in the official



gazette and the Act under which the Inter-State Corporation was constituted will have effect subject to the provisions of the order until later on altered, repealed or amended by the competent State legislature.

The Committee passed the following resolution : 'THAT in States where more than one State Board functions in a State or where the jurisdiction of a State Board has been affected consequent upon the transfer of territories under the reorganized States, the State Government may immediately initiate steps to have one Statutory State Board with jurisdiction over the whole State. For this purpose, Section 5 of the Inter-State Corporations Act will have to be invoked to have the Act constituting the State Board included in the Schedule to that Act. Thereafter, the State Government concerned may formulate Schemes for the transfer of the assets, and liabilities and other matters with regard to areas which had been either added to or taken away and over which the State Board concerned had jurisdiction before the reorganization of States and forward them to the Union Government for approval under Sections 3 and 4 of the Inter-State Corporations Act. In particular, the attention of the State Governments of Bombay, Rajasthan, Mysore, Andhra, Madhya Pradesh and Bihar is invited to take immediate steps on the lines stated above. THAT where State Governments have not initiated so far steps to form Statutory State Boards, the Khadi & Village Industries Commission may be requested to approach such Governments to take early

steps in the matter.'

Arising out of the above decision the group discussed the position in Delhi and other Centrally administered areas was discussed. Among others, the following points were made during the discussions :

- (i) A Zonal Directorate for Centrally administered areas might be constituted by the Khadi & Village Industries Commission. This Directorate would undertake the implementation of programmes in these areas.
- (ii) The Khadi and Village Industries Commission could make assistance available to Registered Institutions and/or Co-operative societies in these areas. The advisory bodies associated with the administration could help in forming such Societies or Institutions.
- (iii) The members of the advisory bodies in these areas could form themselves into registered bodies as citizens. This would enable the Commission to extend assistance directly to such bodies.
- (iv) The Khadi and Village Industries Commission might provide experts in the Industries under its purview, and taken up by the Administration concerned and place them at the disposal of the advisory bodies in order to assist them in the organization of these industries.

The Committee passed the following resolution : 'That the Khadi & Village Industries Commission be requested to



examine the present situation in the Centrally administered areas and consider the feasibility of setting up at its Headquarters a department for taking up development of Khadi and Village Industries work in the Centrally administered areas."

**Item No. (4) of the agenda Staff for the State Board :**

The Committee decided that the State Boards may be informed of the number of persons trained in the Vidyalayas and Maha-Vidyalays and Post Basic Institutions who are available for employment and that preference should be given to such candidates in the selection for appointment under the Boards. It is further decided that the Khadi and Village Industries Commission should establish a cell to assess manpower problems particularly keeping in view the requirements under the third Five Year Plan.

**Item No. (5) of the agenda : Special arrangements for work in Community Development areas. Intensive Area Schemes, Gramdan Villages. Co-operative Federations and State-wise institutions particularly for Ambar Charkha Programme :**

The item comprised of the following different activities; viz.,

(a) Work in Community Development Areas;

(b) Work in Gramadan Villages;

(c) Co-operative Federations and State-wise institutions, particularly for the Ambar Charkha Programme;

**(a) Work in community development Areas :**

Shree R. Shrinivasan, Member, Khadi and Village Industries Commission, traced the efforts of the All India Khadi and Village Industries Board and then the Khadi Commission to coordinate activities relating to Khadi and Village Industries Programme in Community Project Areas. As a result of these activities he, said that :

(1) The Commission could make financial assistance available in Community Project Areas where registered institutions or co-operative societies had been formed, or the State Governments to take up these activities directly through their industries or Co-operative Department.

(2) With the concurrence of the Government of India, funds were placed with the Development Commissioners directly by the Commission and the Development Commissioners saw to it that the funds were disbursed to the Co-operative Societies or Registered institutions in the areas. This procedure was being followed during the last few years. Recently it has been decided that the funds for these areas will also be disbursed by the Commission to the Statutory State Boards wherever they have been established.

(3) 26 areas were selected as Pilot Project Areas during 1955-56 in the country—one Pilot Project for each State. The Khadi and Village Industries Commission had given about Rs.25-30/- Lakhs for Village Industries Programmes along to these areas. Amounts were given separately for Khadi work in those Pilot Projects. During the last year, for the



promotion of Village Industries Schemes, a sum of Rs. 82/- Lakhs was given by the Commission.

(4) Many Ambar Charkha Units had been started in Pilot Projects. For the current year, the Commission's allocation for work in Community Development Areas was Rs. 1/- crores. Part of this amount had already been released.

(5) The Commission also persuaded Khadi Institutions to start new centres in the Project areas with the result that Ambar Parishramalayas had been started in many of these areas.

(6) The Khadi and Village Industries Commission had made arrangements for training of Extension Officers in its several Vidyalayas. To meet the marketing needs, proposals are under consideration of the Khadi Commission for establishing Khadi and Village Industries Sales Depots.

Shree Shrinivasan said that the question really was as to how activities in a State can be coordinated between the State Board and Block Development Officers and who should take the initiative in preparing schemes and in coordinating activities. During the discussion, the following points were made:

(1) Schemes for implementation in Community Development Areas should be prepared by Block Development Officers and forwarded to the Community Development Department in the State. This Department would examine the schemes and forward the same in their final form to the State Boards. On receipt of those

schemes, the State Boards would allot funds in accordance with the priorities recommended by the Community Development Departments.

(2) The State Boards should forward their schemes together with estimated expenditure under the several heads to the Khadi and Village Industries Commission by July or August of each year. The Khadi Commission would thereafter include these schemes in its general budget proposals. This would facilitate early release of funds by the Commission.

(3) After the final allocation of funds for development of Khadi and Village Industries by the Union Government, joint consultation with the State Boards, as in this year, should be held to finalise States Schemes. Such joint consultations should be held early in January.

(4) The Deputy Registrar of Co-operative appointed from the assistance given by the Commission should be responsible for the registration and working of the cooperative societies for village industries while Block Level Extension Officers would assist these societies and supervise their day to day activities.

(5) The Block Development Officers would be responsible for preparing progress reports and for marketing of the products of village industries.

(6) In several Community Development Areas in Orissa State, Mahila Samajas have been organised. Arrangements for training women in the Mahila Samajas through peripatetic parties should be made.



The following resolutions were passed :

1. Khadi and Village Industries Commission may release funds allotted to the States as a result of the joint discussions, to the Statutory State Boards which would in turn release funds for work in the Block Development Areas to the Block Development Officers.
2. Statutory State Boards shall coordinate these activities in the Block Development Areas and of Co-operative Societies and institutions in the States.
3. Development Commissioners may be included as Members in the State Boards. Other resolutions passed were that certification of Co-operative Societies by the certification Committee of the Khadi and Village Commission should be done on the recommendation of Statutory State Boards, that the Secretary of the State Board shall be a non-official and that all the officers and members of the staff working under the Committee also decided that each Statutory Board, State Board may constitute a Standing Finance Committee to advise them on the administration of funds placed at their disposal.

**(B) Work in Gramdan Villages:**

The Committee was informed of the action taken by the Khadi and Village Industries Commission for promotion of Khadi and Village Industries work in Gramdan Villages. The action taken include

the following :-

- (a) provision for supplementing the expenditure that may be required to meet the needs of the Gramdan Karyakartka. The provision is Rs. 200/- per year.
- (b) Provision of a sum of Rs. 1,800 to meet the salary of a Gram Sahayak in Gramdan Villages. A Sahayak would work in a group of villages with the maximum population of 500 persons.
- (c) Priority in sanctioning schemes and funds to Gramdan Villages.
- (d) Responsibility of the Commission for training workers in Gramdan Villages and to meet the expenditure in that respect. Training arrangements have already been made at Kora Kendra Vidyalaya in Bombay, at Khadi Gram in Bihar and by the Sarva Seva Sangh at Koraput, Orissa.

During the discussions, it was pointed out that state Governments experienced certain difficulties in extending assistance to Gramdan Villages. Particular mention of these difficulties was made in respect of Koraput. The Orissa State Board found that the Sarva Seva Sangh suggested numerous modifications in schemes for different industries including the Ambar Charkha Programme. Because of these modifications, the pattern under which assistance could be given had considerably altered. The question was that should be done under such circumstances and how assistance could be made available. The Committee was also informed that the



Mysore State Board had recommended to the State Government that a budget provision of Rs. 15,000 should be made for development of Khadi and Village Industries work in Gramdan Villages of the State during the year 1958-59. In Kerala, the State Board had decided that 15% of the total amount allocated for development of Khadi and Village Industries in the State would be spent in the Gramdan Villages of the State. The Committee resolved :-

- (i) "THAT where difficulties as experienced by the Orissa State Board were experienced, the question may be referred to the Khadi and Village Industries Commission for advice and guidance.
- (ii) THAT State Boards might consider allocation of a specific percentage of total amounts in their budgets for expenditure in Gramdan Villages as decided upon by the Kerala State Boards.

### **Co-operative Federations and State-wise institutions**

Shri Leleji explained the idea behind such federations. There were numerous small institutions engaged in Khadi and Village Industries work in the country. For the development of their work and improving the techniques employed in the industries and for improvement of quality of their products, certain operative facilities and arrangements were essential. Individually, none of these institution should afford to meet the cost of these arrangements. It was there

fore, proposed that a federation of such institutions could be formed and assistance given to the federation. The purpose of the assistance was for installing finishing plants and arrangements for marketing etc. In the discussions representatives from State Boards pointed out that no direct assistance should be given by the Khadi and Village Industries Commission to these federations and that initiative in the formation of such Federations should come from the State Boards. It was pointed out that the object underlying the formation of such Federations was to train and enable the workers of the institutions to shoulder the whole responsibility for the work of institutions themselves. After discussion of the several points raised, the Committee took the following decision.

"THAT it is agreed that federations of small institutions may be formed on regional levels and not on State levels".

### **Notes From State Boards**

The notes sent by State Boards on the items of the agenda were then taken up. The Committee decided that these notes and the suggestions contained in them may be examined by the Khadi and Village Industries Commission and discussed with representatives of the State Boards at a meeting of the Khadi and Village Industries Board.

Sd/- **R. S. Hukkerikar,**  
Chairman

Sd/- **C. K. Narayanswami,**  
Secretary

POONA,  
26-7-58



## COMMITTEE NO. 2

Agenda before the Committee No. 2 consisted of the following items :

1. Release of funds by the Commission to State Boards and further release by State Boards to institutions :
  - a. Time within which release should be made by the State Boards to institutions.
  - b. Question of charging interest on the loans given by the Commission to the State Boards.
  - c. Hypothecation Deed for obtaining loans from the Commission or by the institutions from State Boards.
2. Content and periodicity of progress report forms for compilation of the

statistical data regarding progress of work done.

3. Arrangements for inspection auditing of the accounts and submission of utilisation certificates by the Centres financially assisted by the State Boards, State Governments, out of the Commission's funds.
4. To consider how to meet loss incurred, if any, by a State Board in implementing any of the schemes of Khadi and Village Industries directly.
5. Evaluation of the working of the different industries programmes and/or the institutions executing them.

The following is the list of delegates who constitute Committee No. 2 :

### COMMITTEE No. II

S. No.	Name	State	Designation
1.	Dr. R. V. Rao	Andhra	Joint Director of Industries
2.	Shri Damodar Rao	Andhra	Secretary, Hyderabad Board
3.	Shri Pathak	Assam	
4.	Shri B. C. Deka	Assam	
5.	Shri Brij Bihari Prasad	Bihar	
6.	Shri S. Prasad	Bihar	



S. No.	Name	State	Designation
7.	Shri M. P. Sinha	Bihar	Chairman, Bihar S.K. and V.I. Board
8.	Shri Dinoobhai Mankad	Saurashtra	
9.	Shri P. S. Nadkarni	Bombay	Dy. Director, Cottage Industries, Government of Bombay
10.	Shri V. Ramachandra	Madras	
11.	Shri Venkatramaya	Mysore	
12.	Shri V. T. Magde	Mysore	
13.	Shri Rameshwar Agarwal	Rajasthan	
14.	Shri Kapilbhai	Gandhi Ashram Meerut	
15.	Dr. Nrupendra Nath Bose	West Bengal	
16.	Shri Panchanan Basu	West Bengal	
17.	Shri M. K. Mozumdar	Tripura	Secretary,
18.	Shri N. T. Dabade		Dy. Zonal Director
19.	Shri Srikanta Rao		Organiser, Soap Industry
20.	Shri P. V. Raghavan		Zonal Director, Andhra
21.	Shri S. Ramasubramaniaya		Dy. Zonal Director, Trichur
22.	Shri K. R. Subaraman		Pottery Organiser
23.	Shri C. V. Subarao		Director of Gur & Khandsari
24.	Shri Dhirubhai Desai		Director of Training
25.	Shri W. A. Welankar		Assistant Organiser, Hand Made Paper.



## ANNEXURE

## REPORT OF SUB-COMMITTEE NO. 2

The Committee No. 2 met in the Council Hall at 4.30 P. M. on 25-7-58 and took up for consideration item No. 1 of the agenda :

**Release Of Funds By The Commission To Boards And Further Release By State Boards To Institutions.**

- (a) Time within which release should be made by the State Boards to institutions.
  - (b) Question of charging interest on the loans given by the Commission to the State Boards.
  - (c) Hypothecation deed for obtaining loans from the Commission or by the institutions from the State Boards.
- (a) The Member Secretary of the Commission explained that in the case of several State Khadi and Village Industries Board, the time-lag between the receipt of funds from the Commission and their disbursement to the recipient institutions was considerable extending in some cases, to as much as 18 months. As both the Commission and State Boards had responsibility to implement programmes within definite time limits, this delay was not desirable. The Commission was, therefore, of the view that as far as possible State Boards should endeavour to disburse funds received by them from the Commission within thirty days of their receipt and in no case to exceed 60 days.

To reduce the time-lag, the Commission was prepared to undertake the responsibility for paying applicant institutions directly in the name of State Board, provided State Boards send their recommendations. Where application papers were submitted in full, the Commission does not normally take more than 3 to 4 weeks to process them and make arrangements for payment. The Commission, is prepared to undertake this additional responsibility of making payments to institutions directly in the name of the State Boards, because continued delays in disbursements disrupted work at all levels.

On behalf of State Boards it was represented that, constituted as they were at present, delays were unavoidable. It was suggested that if State Boards were informed in advance of the size of the funds likely to be allotted to them during a given financial year, they might be able to disburse funds more expeditiously. It was represented that allowances must be made for a time-lag of at least six months.

As regards the offer of the Commission to pay institutions directly in the name of the State Board, the consensus of opinion was that this might not be desirable in the interest of the efficient supervision of the institutions. Release of funds directly by the Commission might



render control over the work of the institutions unsatisfactory. It was, therefore, suggested that funds should be channelised only through state Boards which should exercise sufficient care to avoid delays in disbursements. Funds might be channelised to State Boards on the basis of their disbursements from period to period.

On behalf of the State Boards, it was explained that the delay in receipt of recommendations from the Registrar of the Co-operative Societies was one of the main reasons for delay in disbursements. There was at the moment no means to obviate delays. The second problem was where the State Board had to arrange for the organisation of new institutions to undertake the progressively expanding size of the programmes. In both cases, the suggested time limit of 60 days might be found to be too short.

After a full discussion of all aspects of the problems mentioned by the representatives, it was decided that if the State Boards took steps to prepare their programmes of expenditure sufficiently in advance, delays that now take place could be substantially reduced. Where, however, delays occurred for any one or more of the special reasons mentioned, appropriate representation could be made to the Commission for necessary amendment of the general procedure.

**(b) Question of charging interest on the loans given by the Commission to the state Boards.**

Regarding this sub-item, the Member Secretary explained that the question of

charging interest on the loans advanced by the Commission to the State Boards and the institutions was still under consideration of the Government of India. The proposals of the Commission, in brief, were

- (i) that loans for Khadi should be interest free,
- (ii) loans for village industries must also be interest-free; but,
- (iii) loans for Working capital for village industries should be subject to interest at 2.5 percent after two years, which are considered sufficient time for a unit in an industry to acquire necessary operational efficiency.

The Commission after careful consideration of all the difficulties placed by the State Boards in the disbursement of funds had decided that loans disbursed by it to the State Boards should begin to bear interest from the first day of the fourth month, i. e., 90 days after their receipt. In the case of the institutions, however, the time for payment of interest as explained above should be computed from the date on which the cheques were drawn in their favour.

**(c) Hypothecation deed for obtaining loans from the Commission or by the institutions from the State Boards.**

The Member Secretary explained that the normal loan agreements would involve payment of stamp duty at the rate of 5 per cent of the value of the loans. To avoid payment of stamp duty of such a magnitude, the Commission had evolved a method



whereby the burden of stamp duty could be reduced to 1.2 percent. The note on this subject together with the hypothecation deed were read out in explanation of this item.

It was pointed out by some of the representatives that the hypothecation deed did not provide for the recovery of (loans) from institutions which misused them. They were of the view that the reference to the award of an arbitrator might involve proceedings in a civil court which normally were both expensive and time-consuming, profiting neither party. It was, therefore, suggested that a more effective method would be to amend the Acts constituting the States Statutory Boards enabling them to incorporate a clause in the hypothecation deed that loans should be made recoverable as an arrear of public demand.

On behalf of the Commission it was explained that a proposal had been submitted to the Union Government to amend the act constituting the Commission to ensure recovery of loans as arrears of public demand.

After an extensive discussion of each sub-item, the Committee took the following decisions :

(a) As far as possible, State Boards should disburse funds to their institutions within 30 days and in no case should they delay disbursements beyond 60 days. Where State Boards/State Governments did not disburse funds, within the prescribed period, interest should be charged on the balances with them from

the first day of the fourth month.

(b) State Boards agree that interest at  $2\frac{1}{2}\%$  should be charged on all loans advanced to the Commission on the terms and conditions explained in the note read out at the meeting.

(c) The draft hypothecation deed prepared by the Commission should be accepted as it stood, subject to the right of the Commission to incorporate a clause enabling them to recover loans as arrears of public demand when the decision of the Union Government was made known to it.

(d) The Committee unanimously recommend to the Commission to move State Governments to extend exemption from payment of Stamp Duty enjoyed by co-operatives to the agreements concluded between State Boards and other parties.

**Item No (4) : To consider how to meet loss incurred, if any, by a State Board in implementing any of the schemes of Khadi and Village Industries, directly.**

The note on the subject among the agenda papers was read out. During the discussion, a distinction was made between the losses incurred by State Boards running centres of their own, and those incurred through disbursing loans advanced by the Commission to institutions. The Commission's responsibility for losses should be confined only to the disbursements of loans made by State Boards on its behalf. The responsibility of the Commission to meet losses should be limited to 10% of the overall amount of



loan advanced by it to State Boards. It was suggested that even in this case, State Boards should bear at least 10% of the losses and obtain only the balance from the Commission within the prescribed overall limit of 10% as explained in the note.

While Considering this point, the Committee was unanimously of the view that State Governments must annually sanction certain grants to their State Boards to help them to undertake trading operations, organise work on their initiative and acquire capital assets. Such grants would enable State Boards, among others to meet occasional losses.

The Committee adopted the following decisions :-

1. Where State Governments run centres of their own, they must arrange to meet their own losses as the risk in running them is exclusively theirs.
2. Where State Boards/State Governments implement a scheme of the Commission and incur losses in disbursing loans obtained from the Commission for that purpose, the losses would be met by the Commission and upto an overall limit of 10 % of the maximum ceiling of loan advanced to them.
3. In individual cases, losses incurred by an institution will be shared between the State Boards/State Governments and the Commission at the ratio of 1 : 9, subject to the overall limit of 10 %.

4. The Committee suggests to the Commission to move State Governments to make annual grants to their State Boards to enable them to build up assets of their own and to meet losses and other expenditure.

**Item No. 5 : Evaluation of the working of the different industries programmes and/or the institutions executing them.**

On behalf of the Commission, Shri Jhaverbhai Patel explained that the time had arrived for the Commission to undertake an assessment of the progress made in implementation of the various schemes during the last five years. He explained that most of the development schemes for the industries under the purview of the Commission were drawn up in the light of the experience of some of the constructive workers. As their experience was limited to certain areas and certain conditions, there was need to test them in the field to find out whether there was any need to amend or enlarge the schemes in one or more respects. Towards this end, evaluation of schemes that have been working during the past few years was necessary. He was of the view that in the first instance, the evaluation should be made by a Committee of the Members of the All India Khadi and Village Industries Board assisted by the Directorate of Economic Research of the Commission. After a full discussion of the implications of these proposals, the Committee adopted the following resolution :

"The Committee considers that the time is now ripe to evaluate the results of



the different schemes under the II. Industries entrusted to the Commission. It, therefore, recommends that an internal committee consisting of the Members of the Khadi and Village Industries Board be constituted for the purpose, with the Directorate of the Economic Research of the Commission as its Secretariat".

**Item No. 2 : Content and periodicity of progress report forms for compilation of the statistical data regarding progress of work done :**

This item also was explained by Shri Jhaverbhai Patel on behalf of the Commission. He was of the view that to enable the field workers to forward progress report periodically, the proforma must be as simple as possible as the majority of them did not know how to fill in the various items. Their inability resulted in submission of reports which conveyed an altogether distorted picture of the actual work done. He, therefore, suggested that a distinction should be made between quantitative and qualitative progress. Towards this end, he suggested the omission of a number of items in the draft proforma submitted for consideration. Secondly, he said that the work of collecting statistical data and carrying out periodic qualitative studies should not continue to be the sole responsibility of the Commission's Directorate of Economic Research because the responsibility was too large. He, therefore suggested that State Boards should take steps as early as possible to set up small cells to carry out this work from time to time. He was of the

view that creation of such cells would, on the one hand, enable State Boards to forward their progress reports as required and in time and, on the other, enable them to maintain a continuous watch on the progress of the various schemes.

The Suggestion of Shri Jhaverbhai Patel was further elaborated by the Member Secretary of the Commission and by several representatives of the State Boards. The Committee unanimously adopted the following resolution :

"The Committee considers that generally the present arrangements for collection of data involves considerable difficulties for field workers. It, therefore, suggests that, to the extent possible, proforma prescribed for the purpose distinguish between quantitative and qualitative progress and emphasise only quantitative details for progress reports. For qualitative purposes, the Commission suggests that special studies be carried out by the Directorate of Economic Research of the Commission. For the same purpose, it recommends that the State Boards set up statistical cells so that complete studies can be conducted."

**Item No.3 of the Agenda: Arrangements for inspection and auditing of the accounts and submission of utilisation certificates by the centres financially assisted by the State Boards, State Governments out of the Commission's funds :**

"After a careful examination of the notes on the subject, the representatives of



State Boards present in the Committee agree to furnish by August 31, 1958, disbursement certificates in respect of grants and loans disbursed to them by the commission upto 31st March, 1957 and utilisation certificates in respect of those amounts by

December 31, 1958, and, if possible, earlier".

Sd/- (**Haribhau Upadhyaya**)  
Chairman

Sd/- (**J. D. Sundram**)  
Secretary.

POONA,  
26, July, 1958.

## PLENARY SESSION

The Conference met in its Plenary Session at 8 a. m. in the Council Hall on July 27. Shri M. Bhaktavatsalam presided. Addressing the Conference he said :

Friends, we shall now commence the proceedings. The recommendations of the two Committees are before you for consideration. Both the Committees had sittings yesterday and the day before. They had a thorough and frank discussion on the various questions and also on the problems that confronted the Commission as well as the State Boards. After comprehensive consideration of the various questions, the conclusions that they have come to are before you for consideration. The Chairman of the Committee No.2 was Shri Haribhau Upadhyaya and, as he has an engagement in the afternoon, I would, with your permission, take up the conclusions of Committee No. 2 for consideration first. I would request Shri Upadhyaya to present to this Conference the recommendations of his Committee.

**Shri Haribhau Upadhyaya :** I am presenting the Report and the decisions of the Committee No. 2, in Hindi. I crave indulgence of those who may not follow Hindi. Two Committees had been formed on the first day of the Conference. Committee No. 1 was called upon to consider organisational matters, while the other

Committee was asked to deal with matters of financial nature. The Committee No.2 studied the problems under five heads. The delegates can express their views subject-wise on the recommendations of the Committee.

The first topic is :

### **Release Of Funds By The Commission To Boards And Further Release By State Boards To Institutions:**

- (a) Time within which release should be made by the State Boards to institutions.
- (b) Question of charging interest on the loans given by the Commission to the State Boards.
- (c) Hypothecation deed for obtaining loans from the Commission or by the institutions from the State Boards.

The Committee studied these questions minutely. It gives me particular pleasure to report that delegates from all States displayed keen interest in the discussion on these questions. The delegates were given adequate time to express their opinions and the decisions that finally emerged were arrived at unanimously.

In considering this question, it will be profitable to look back on Khadi work that was carried on in the early period of



the Khadi movement under the guidance of Mahatma Gandhi. It was Gandhiji who had placed the programme of Khadi and Gramodyog before the nation. In the pre-independence days, several institutions implemented these programmes. Even the constitution of these institutions had been framed by Gandhiji himself. These institutions got financial support from the public and Gandhiji used to keep a close watch to ensure that every pie was spent well. He was very strict and insisted on utmost economy in the running of Khadi institutions. He frowned on wastage in any sphere. Once he learnt that Ashramites threw away neem (*Dantan*) sticks after using them for cleaning teeth. His direction was that they should be collected together to be used as fuel.

I recollect another example. A worker of the Harijan Sevak Sangh spent the money given to him for a purpose other than that for which it was meant. Bapuji made him do penance for this mistake.

What I wish to stress is that the Father of the Nation was very particular in the handling and utilization of public funds. Our responsibility in this respect is all the greater today when he is not with us to guide and lead us.

We get funds from the Khadi and Village Industries Commission which receives them from the Government of India. We must be extremely careful to make sure that the funds are properly and fully utilised.

It is noticed that there is considerable delay in the disbursement of funds by State Boards to institutions, after the

former receive them from the Khadi Commission. This hampers the work of the institutions. Several delegates in the Committee touched on this aspect and the consensus of opinion was that a time-limit should be laid down for such disbursement to institutions. It was also suggested that interest should be levied on funds which remain undisbursed beyond this time-limit. The decision of the Committee on this particular question is as follows:

- (a) As far as possible State Boards should disburse funds to their institutions within 30 days and in no case should they delay disbursements beyond 60 days. Where State Boards/State Governments did not disburse funds within the prescribed period, interest should be charged on the balances with them from the first day of the third month.
- (b) State Boards agree that interest at  $2\frac{1}{2}$  per cent should be charged on all loans advanced to them by the Commission on the terms and conditions explained in the note read out at the meeting (See Appendix 5).
- (c) The draft hypothecation deed prepared by the Commission should be accepted as it stood, subject to the right of the Commission to incorporate a clause enabling them to recover loans as arrears of public demand when the decision of the Union Government was made known to them.
- (d) The Committee unanimously recommended to the Commission to move



State Governments to extend exemption from payment of Stamp Duty enjoyed by Cooperatives to the agreements concluded between State Boards and other parties.

I hope the Conference will concur with the decisions of the Committee.

**Shri Bhaktavatsalam :-** In this recommendation, there are three parts and Members may make comments on all the three parts.

### Too Short A Period

**Shri Sitaramayya :** Regarding the time-limit fixed for the disbursement of loan, I feel that the question has not been discussed at length. With my experience of the working of the State Boards, I can say that the two months' period is too short. It is only after we know what amount we are likely to get from the Commission that we will be asking the various Development Officers and the Registrar of Co-operative Societies to take action. Where societies are not in existence, they have to be formed and registered. In most of the village industries they are not in existence and they are to be organised. Organisation means so many preliminary operations. After a society is registered and after funds come to the Board, a sub-committee will study, and the Board will study the demands and then the Board will make allotments. Societies will be asked to execute regular bonds and monies will be released through the State Cooperative Banks. It will be difficult to finish all these procedures and formalities within

the course of two months. The result will be that we will be making frequent representations to the Commission to extend the period and the Commission will have to give their permission. At least four months will be necessary. We cannot form societies in anticipation of getting funds. Sometimes, due to unforeseen circumstances, the money may not come in time or may not come at all. We are asking the Officers of the Community Development Department to take steps after we receive the sanction letter. Proper atmosphere will have to be created for the creation of societies. It is not as if institutions are there ready to accept funds. These points will have to be taken into consideration while fixing the time-limit for the disbursement of loans.

**Dr. Rao (Andhra) :** The question of expeditious disposal of funds has been receiving the attention of Government. We are trying our best to form cooperative societies. Before cooperative societies are formed, we have got to impress upon the Registrar that the societies that we are sponsoring have got a reasonable chance of success. We have to get trustworthiness certificate etc. To complete formalities, it takes not less than 2 to 3 months. In the circumstances, I feel it is better if 3 months' time limit is fixed instead of the proposed 2 months.

Another problem is in regard to the recovery of loans given by the State Boards. It is desirable that the amounts due from institutions are collected as land revenue. Such a provision has not found place in several of the Acts constituting the



State Boards. Therefore, necessary proviso should be introduced under the Industries (Development and Regulation) Act. Co-operative societies are exempt from the payment of stamp duty. In the same way where loans are given by the State Boards to the respective institutions, if they are exempt from stamp duty it would be of great help.

**Shri Leleji :** The delegate from Orissa State has remarked that it would take six months to release funds to institutions. If the Commission does not sanction money in time, delay in disbursement to institutions is understandable. I, however, fail to understand why there should be any delay in disbursement, once funds are sanctioned and schemes are approved. If we prepare our programme six months in advance, there need not be any difficulty in releasing funds within, say 30 or 60 days.

**A Delegate :** Will this period be calculated after the money is actually released by the Commission ?

**Shri Pranalal Kapadia :** Yes, after the State Board receives the funds.

**Shri Roy :** It should be from the first day of the 4th month instead of the 3rd month.

**Shri Upadhyaya :** An amendment has been received seeking to extend this period from two to three months. It has also been said that if six months were allowed, that would be still better.

It has to be clarified that the period of two months has been suggested because

after this period the Board has to pay interest to the Commission. Moreover, the money remains unutilised.

I accept the amendment. I would, however, add that even if three months are allowed, the State Boards should strive to release funds within one month of their receipt from the Commission. One month is a sufficiently long period for this work, if steps are taken immediately after funds come to hand.

**President :** I will now put to vote the 3 recommendations with the suggested amendments :

Recommendation (a): The amendment is instead of 2 months, it will be 3 months (90 days). Interest to be charged from the first of the 4th month. With this amendment, I suppose all of you accept the recommendation. (b) Accepted. (c) Accepted.

**The Chairman :** Before inviting comments on this, I would like to go to the previous recommendation. There is the fourth item (d). I put that item to the Conference. Sub-item (d) also was agreed to.

The amended resolution reads as follows :

- a) As far as possible, State Boards should disburse funds to their institutions within 30 days and in no case should they delay disbursements beyond 90 days. Where State Boards State Governments did not disburse funds, within the prescribed period, interest should be charged on the balances with them, from the first day of the fourth month,



- b) State Boards agree that interest at  $2\frac{1}{2}$  per cent should be charged on all loans advanced to them by the Commission on the terms and conditions explained in the note read out at the meeting.
- c) The draft hypothecation deed prepared by the Commission should be accepted as it stood, subject to the right of the Commission to incorporate a clause enabling them to recover loans as arrears of public demand when the decision of the Union Government was made known to it.
- d) The Conference unanimously recommend to the Commission to move State Governments to extend exemption from payment of Stamp Duty enjoyed by cooperatives to the agreements concluded between State Boards and other parties."

### Losses

**Shri Haribhau Upadhyaya :** The item No. 4 is as follows :

**To Consider How To Meet Loss Incurred, If Any, By A State Board In implementing Any Of The Schemes Of Khadi And Village Industries, Directly.**

There are two types of institutions. Some come directly under the Board and others only receive funds from the Board. The question arises who is to bear the losses that might occur. The Committee's decision runs as follows :

1. Where State Boards/State Governments run centres of their own, they

must arrange to meet their own losses as the risk in running them is exclusively theirs.

2. Where State Boards/State Governments implement a scheme of the Commission and incur losses in disbursing loans obtained from the Commission for that purpose, the losses would be met by the Commission upto an overall limit of 10 per cent of the maximum ceiling of loan advanced to them.
3. In individual cases, losses incurred by an institution will be shared between the State Boards/State Governments and the Commission in the ratio of 1:9, subject to the overall limit of 10 percent.
4. The Committee suggests to the Commission to move State Governments to make annual grants to their State Boards to enable them to build up assets of their own and to meet losses and other expenditure.

The losses incurred by institutions which are run independently should be shared by the Commission, the State Boards or the State Governments as indicated above.

The suggestion is to help institutions which do not have capital resources to raise capital.

**The President :** I would now invite comments on this recommendation.

**Shri Kapadia :** Let it be understood that the question of losses comes in only when a particular institution closes down. When the State Boards or State Governments



carry on their own centres, the responsibility is exclusively theirs.

**Shri Roy :** What do you mean when you say that the State Boards or State Governments carry on their "own" centres ?

**Shri Kapadia :** Where the centres are directly run by them and not by any institution. This is different from the State Boards or State Governments implementing the schemes of the Commission. The funds are given by the Commission, but the State Boards may run schemes directly under their own guidance and not through any institution. In that case, the Commission does not come into the picture at all. In such cases, the responsibility is exclusively of the State Board concerned. The second type is that the funds are given by the Commission to the State Boards and they, in their turn give the funds to the institutions or co-operative societies for implementing certain schemes of the Commission. In that case, the Khadi Commission would come forward to bear any loss up to 10 percent of the total loans when the institution closes down and when the State Board is not in a position to recover the loss.

The third type is that the State Board should bear a certain portion of the loss. So, when a loss is incurred by any institution, then the State Board will bear 10 percent of the loss and 90 percent would be borne by the Commission.

**Shri Roy :** What is meant by these "individual" cases ? The thing is not very clear.

**Shri Kapadia :** The idea is that where an institution closes down or goes into liquidation, the Commission would bear the loss up to 10 percent of the loan given by the Commission to the institution. This applies to the losses which are not recoverable.

**Shri Gajanan Naik :** My suggestion is that in (3) above, along with the word "institution," the words "cooperative society" should be added.

**Shri Roy :** The whole recommendation is not properly drafted.

**Shri Kapadia :** We will redraft the whole thing and place it before the Conference later.

**A Delegate :** If the State Boards/State Governments implementing the Commissions' schemes incur losses, who is to bear them ?

**Shri Kapadia :** It has been clearly stated that if a State Board-State Government is implementing its "own" scheme, the responsibility for losses will be its own. On the other hand, if the schemes of the Commission are implemented by institutions to which funds are released through State Boards, the Commission would bear losses to the extent of ten percent.

**Shri Haribhau Upadhyaya :** It is open to delegates to move amendments to the resolutions placed before them.

**Shri Leleji :** In resolution 3 of item (4) the words "over-all limit of ten percent" occur. My suggestion is that such generalisation should be avoided. The



responsibility of the Commission to bear losses up to ten percent should be in relation to any particular scheme.

**Andhra:** The State Boards have undertaken activities which are different from the activities of the State Governments. It is better if we do not try to make any distinction between the activities of the State Boards and the institutions to which they have disbursed funds.

**Shri M. P. Sinha :** Here you will find that the overall limit is fixed at 10 per cent. In tribal areas people do not take the initiative and initiative has to be taken by the Board. The overall limit of 10 per cent suggested should be increased especially where a scheme has to be implemented in tribal areas.

**The President :** We shall now adjourn discussion on the subject till a redrafted resolution is ready.

### Evaluation Of Work

#### Item No. 5 : Evaluation of the working of the Different Industries.

**Shri Upadhyaya :** There do not exist satisfactory arrangements to check whether work is carried on satisfactorily and in accordance with the original plan. It has been suggested that a Committee comprising of members of Khadi and Village Industries Board should be set up for this work. The resolution is :

"The Committee considers that the time is now ripe to evaluate the results of the different schemes under the 11 industries entrusted to the Commi-

ssion. It, therefore, recommends that an internal committee consisting of the Members of the KHADI AND VILLAGE INDUSTRIES BOARD be constituted for the purpose, with the Directorate of Economic Research of the Commission as its Secretariat."

**Shri Bhagavantha Rao :** Some of the members of the Khadi Board are to form an internal committee. Why should they not be empowered to deal with the working of different industries. While forming the committee, it is better if other persons who are in the field are also associated.

**Shri Sitaramayya :** whenever any evaluation is made in a particular State, one or two representatives of the State Board must be associated with the work.

**West Bengal :** This is an internal committee. Only it will take all possible data from outsiders.

**Shri M. P. Sinha :** When the Zamar Committee was formed, the State Boards were not consulted.

### Local Consultation

**Shri Vaikunth L. Mehta :** I have something to say on this point. I take it that the internal Committee the setting up of which has been suggested, will have to find out who is responsible for a particular scheme and whether that responsibility is being discharged properly. This Committee will collect data from States, by visiting the States concerned or ask data to be sent to them. I, therefore, suggest that two members of the State Board should be co-opted when any enquiry or collection of



data with reference to a State has been taken up by this Committee. Where State Boards do not exist two representatives should be co-opted in consultation with the Minister in charge of Khadi and Village Industries of that State.

There is a precedent for making such a provision. When Lord Linlithgow was the Governor-General of India, an Agricultural Commission had been appointed on which two representatives from the States – one official or Minister and a non-official – were co-opted. When the Commission visited that State, I hope the Chairman will give his consent to the inclusion of this suggestion in the text of the resolution.

**Shri Leleji :** My suggestion is that one should be a representative of the State Board and another of the institutions.

**Shri Vaikunth Mehta :** I feel that it would be good if the representatives are co-opted in consultation with the State Boards.

**Shri Haribhau Upadhyaya :** I hope the Conference will agree to this amendment which seeks to co-opt two representatives from the area in regard to which the internal committee might be investigating, in consultation with the State Board.

**President :** With this amendment, I take it that the recommendation is accepted.

The amended resolution reads.

"The Conference considers that the time is not ripe to evaluate the results of the different schemes under the 11 industries entrusted to the

Commission. It, therefore, recommends that an internal committee consisting of the Members of the Khadi and Village Industries Board be constituted for the purpose, with the Directorate of Economic Research of the Commission as its Secretariat and its work associate representatives of State Boards and institutions for the purpose of evaluating work in that State."

### PROGRESS REPORTS

**Shri Haribhau Upadhyaya :** Now we have before us another item about progress reports. It has been noticed that reports which are submitted by different institutions are not comprehensive enough. For example, information about production, part-time and full-time employment etc. is not always included in such reports.

The Sub-Committee felt that the existing *proformas* should be made simpler and 'statistical cells' should be set up by each State Board to assess qualitative progress. The Directorate of Economic Research of the Commission should undertake studies with the help of these 'statistical cells'.

The Recommendation of the Committee is :

"The Committee considers that generally the present arrangements for collecting of data involves considerable difficulties for field workers. It, therefore, suggests that, to the extent possible, *proforma* prescribed for the purpose distinguish between quantitative and qualitative progress and emphasise only quantitative details for progress reports. For qualitative purposes the Committee



suggests that special studies be carried out by the Directorate of economic Research of the Commission. For the same purpose, it recommends that the State Boards set up statistical cells so that complete studies can be conducted".

**President :** I take that it is accepted. We will go to the next item.

### **Inspection And Audit**

**Shri Haribhau Upadhyaya :** Now we turn to Item No. 3 which deals with

"Arrangements for inspection and auditing of the Accounts and submission of utilisation certificates by the centres financially assisted by the State Boards / State Governments out of the Commission's funds. "

The Khadi Commission gives funds to State Boards/State Governments for disbursement to institutions. Considerable delay is involved in this process on the part of State Boards. Moreover, it has to be ascertained whether the funds given in the past were utilised for the purpose for which they were meant before sanctioning further amounts. In this connection, the Central Government attaches great importance to disbursement and utilisation certificates.

The Committee was of the view that such disbursement and utilisation certificates ought to be forwarded by the State Boards to the Khadi Commission as early as possible.

The following is the unanimous recommendation of the Committee;

"After a careful examination of the notes (see Appendix . . . ) on the subject, the representatives of State Boards present in the Committee agree to furnish by August 31, 1958, disbursement certificates in respect of grants and loans disbursed to them by the the Commission upto 31st March, 1957. and utilisation certificate in respect of those amounts by December, 31st and, if possible, earlier".

**Shri Ratubhai Adani :** The resolution lays emphasis on the submission of utilisation certificates which are necessary for verifying whether the grants or loans given by the Khadi Commission to institutions, or to State Boards for release to institutions, have been utilised properly and for the purpose for which they were given. I appreciate and support this demand for certificates.

I would, however, like to point out that some time must elapse before it can be known whether the financial assistance was well utilised and in the expected manner. Unless these things are verified, it will not be possible to forward the utilisation certificates. For this, audited accounts must be ready. I feel the limit of 31st December, 1958, is very short.

### **Two Certificates**

**Shri Pranlalbhai :** There are two types of certificates. The disbursement certificate has to be sent by the State Board to the Commission after the funds are disbursed properly and within the prescribed time limit. I hope there will not be any difficulty as regards this, and these



certificates would be sent to the Commission at the earliest.

The other is "utilisation certificate." The utilisation certificate must show whether the money has been spent according to the plan. This certificate has to be obtained by the State Boards from the Institutions which have received funds from them. It is correct that utilisation certificates can be given only after the accounts are audited.

This question had come up before a meeting of the Planning Commission. It was emphasised at this meeting that in the case of the Handloom Board, subsequent allotment of funds is made only on submission of utilisation certificates. The same arrangement should apply to the Khadi Commission.

When we are taking funds from the Government for our work, it is imperative that we abide by their rules and regulations and the above mentioned certificates should be given. We cannot escape from them.

### A Duty

**Shri Vaikunth L. Mehta :** When we use funds made available to us by the Government, we have to follow their rules. Certificates of this nature have to be produced when the Auditor and Comptroller General demands them.

When a State Board gives grants or loans to institutions, it naturally becomes its duty to see whether the money has been well spent. The State Boards must procure utilisation certificates from the

institutions without any delay. The Commission has not received the utilisation certificates even after two years. How can we explain this failure on our part to the Government?

Without utilisation certificates, we also find it difficult to release funds. The Auditor and Comptroller General insists on such certificates.

**Shri Ratubhai Adani :** I agree that utilisation certificates are essential, but the period fixed within which they are to be submitted, is extremely short. At least 18 months to 2 years are required for this work.

I would, therefore, like to seek a clarification. If we do not get such utilisation certificates from any institution, should further releases to such institution be stopped? Such a policy will create difficulties in our work. Our programme is drawn up in consultation with the Commission. The question of utilisation of money will arise only after actual work has begun. This requires a sufficiently long period. I, therefore think that this period should be two years. I seek clarification on this point.

### A VERY OLD MATTER

**Shri Mukherji :** The question is about the submission of utilisation certificates in respect of the funds given by the Commission to the State Boards which, in their turn, give to the institutions. Now, in this matter, the position is this. The Government rules require that in respect of each grant or loan that the Government gives to the Commission, the Commission has to give a utilisation



certificate showing that the grant or loan is utilised for the purpose for which it was given. The Commission has been disbursing these grants and loans to the State Boards for the last four years or so and during this long period we have hardly received any utilisation certificate from the State Boards. In many cases, we are not even aware of the disbursements made by the State Boards. One of the Members here raised the question about the time limit that we have placed in this respect. He said that the time limit was not sufficient for them to submit a utilisation certificate. He also raised the question about the basis on which such a certificate is to be given. We have decided that State Boards should submit to the Commission a disbursement certificate by the 31st of August. The disbursement certificate would show that funds have been disbursed to the institution. There may not be any difficulty about that. As regards the utilisation certificate, it is to be given in respect of the funds utilised by the institutions and for that purpose it is necessary that their accounts should be checked and audited. It is likely that they may take some time to do this. But I may remind all friends here that this is a very old matter. Things have gone on in this manner for the last three or four years. All that we request the State Boards to do is to submit utilisation certificates in respect of the grants and loans disbursed upto 31st March 1957. We are not concerned with the disbursements made during 1957-58 or during the current year. Normally, within six months of the close of the year, it should be possible for

the audit operations to be completed.

### Need For Check

Now, so far as the basis of the utilisation certificate is concerned, there are two years. There should be some kind of a check on the accounts of the institutions; otherwise, the certificates cannot be given. That check can be had either through the chartered accountant whose certificate will be acceptable both to Government and the audit authorities. The alternative is that there should be some internal audit and the State Boards should inspect the accounts of the institutions to whom they have disbursed the funds. If nothing has been done in this regard so far by the various State Boards, all that I can say is that the time has now come to take effective steps in this matter so that they can submit the required utilisation certificates by the 31st December, 1958. I may say that the Central Government and the audit authorities are pressing us very hard for these utilisation certificates. It is, therefore, necessary that the State Boards pay their very urgent attention to this matter, take effective steps to recruit auditors and accountants and get the accounts examined and try to submit the utilisation certificates by the 31st of December, 1958. If nothing has been done so far in this matter there are six months and it should not be an impossible task for the State Boards to do all these things and submit the utilisation certificates by the 31st of December, 1958.

**Shri Ratubhai Adani :** Release of funds should not be made dependent on the submission of utilisation certificates.



**Shri Mukherji :** So far as the co-operative societies are concerned, the audit is done by the Registrar of Cooperative Societies. It was suggested that the societies may engage some of their own internal auditors if there is likely to be delay in the report of the auditors of the Co-operative Department. Even in the absence of utilisation certificate whether further loans and grants can be given is a matter of policy for the Commission. The request is only for grants and loans given to the State Boards up to March 1957.

**Shri Kapadia :** Though there are delays in getting accounts audited, it would be possible to get utilisation certificate.

#### Delay Inevitable

**Shri Ratubhai Adani :** Utilisation certificates can be secured only after the actual work for which the loan was given, starts. Unless funds are spent, a utilisation certificate cannot be given. And even after starting work, giving a utilisation certificate is bound to involve delay.

**Shri Leleji :** Every institution maintains accounts of the funds it receives and their expenditure. I, therefore, do not see why there should be any difficulty in securing utilisation certificates.

**Shri Gajanan Naik :** Auditors whether they come from the Co-operative Department of the State Board or the Commission, take their own time. They have got their own technique and procedure and we cannot overrule them or side-track them. We have to bow down before them in the public interest. This problem was discussed once on a previous

occasion. The audit report may take its own time. The utilisation certificate, to my mind, appears to be a certificate issued by a competent authority, either the State Board, or the Zonal Director, whoever is declared competent, that the amount has been spent for the purpose for which it was granted. Further disbursement need not be held up. Otherwise we shall be responsible for locking public money unnecessarily and not putting it to the purpose for which it is intended to be used.

**Shri Kapadia :** I discussed this matter with the Chairman of the Commission. I would like to bring to your kind attention that if the State Boards, after distributing funds to institutions are in a position to state that the funds have been given for certain items in particular cases and that they would be utilised for the same and that they will stand guarantee,—it is enough. In course of time they can submit their detailed utilisation certificate.

**Shri Adani :** I accept that.

#### Declaration By Boards

**Shri Kapadia :** I think that this question was discussed by the Central Coordination Committee when Shri Malhotra, representative of the Planning Commission, was also present. They wanted the utilisation certificate from each and every institution. In the case of Handloom and other Boards, they distribute money to State Governments who in turn distribute to apex bodies, and State Governments take utilisation certificates from apex bodies. If the State Boards give us the affirmation that the funds have



been spent for the purpose for which they were given, we would take that as a utilisation certificate and later on the State Boards should furnish detailed utilisation certificates.

**Shrimati Johari, Deputy Secretary, Ministry of Commerce and Industry) :**

In respect of what Shri Pranlal Kapadia said just now, I would first like to explain the context in which this point was raised. The Planning Commission had desired that along with the reports about the expenditure on other items, they would like to have information about the expenditure on Khadi and Village Industries. Submission of information and submission of progress reports are quite different from the submission of utilisation certificates which have to certify that the grants disbursed to an institution had been utilised for the purpose for which they were given on the basis of inspection and checking of accounts. These certificates can be issued only on the basis of inspection and checking of accounts by chartered accountants. I have been watching how impatient the audit authorities are becoming. They are putting a very heavy pressure on us in this respect and we have passed on that pressure to the Commission and the Commission has given a kind of an assurance to the Public Accounts Committee that they would undertake to give utilisation certificates for all the amounts disbursed through the agency of the State Boards and other institutions by the 31st of March, 1958. That is an assurance to the Public Accounts Committee and without your cooperation and assistance

the Commission will not be able to fulfil that assurance. Your cooperation is absolutely essential as, if you do not do it, the Commission will be put in a very awkward position. You must help the Commission to fulfil that assurance. I am making this appeal to you in all earnestness.

### **Work Should Not Suffer**

**Shri Adani :** I am not against giving utilisation certificates. It is absolutely essential that we keep a check on the manner the Commission's funds are spent and whether they conform to the original scheme. My request is that a period of two years should be allowed for producing such certificates, and that the work of the institutions should not suffer.

**Shri Leleji :** I believe the institutions, when they receive aid from the Commission, must be maintaining proper accounts which will show whether the money has been spent in the right manner. I, therefore do not see the need for as long a period as two years. This work can be and must be done quickly.

**Shri Gajanan Naik :** I feel that the accounts of all institutions engaged in the promotion of Khadi and Village Industries should be properly inspected and audited. The utilisation certificate should be given only on the basis of audited accounts. We will have to see whether the Commission has adequate staff for this work. I suggest that "auditing branches" should be opened at State level also, which will expedite the auditing of accounts and also submission of utilisation certificates.

**Shri Raojibhai Patel :** It is found that funds sanctioned by the Khadi



Commission to State Boards remain undischarged for even two years. This is not the case with all State Boards, but it cannot be denied that such cases occur. It also happens that funds given to institutions remain unutilised. Subsequently, the funds are returned. The result is that money is not available where it is badly needed and lies idle where it is not needed. I, therefore, fully share Shrimati Johari's anxiety about producing utilisation certificates.

### **Urgent And Important**

**Shri V. L. Mehta :** I usually keep myself calm in the midst of all discussion, but this is a matter in respect of which I, as the representative of the Commission, am likely to be pilloried in public and although I like to maintain my calm attitude on all occasions, I do not like to be pilloried particularly when I feel that, even though I have not committed any crime, I shall be deemed as having committed a crime, if you and I am not able to satisfy the Comptroller and Auditor General. As I said in my earlier remarks, the Auditor General is the absolute judge in this matter.

I had to deal with the public Accounts Committee for six years and I know how difficult it is to satisfy the State Accountant General. Though we may ourselves be overwhelmed by our own difficulties, we have to adopt a course of action which meets with the approval of the Controller and Auditor General who is the absolute judge in this matter. We must realise the very urgent importance of this matter. I am certain that we all shall be able to devise ways and means to meet the

situation.

I want to suggest that we may revise this resolution slightly in order to meet the points made here. The first point was that a period of two years should be allowed to lapse between the disbursement of the funds and the period fixed for the submission of utilisation certificates. In this resolution, the date suggested for the submission of the utilisation certificates is 31st December 1958. If my arithmetic is not very wrong, it means 1 year and 9 months, though not exactly two years. The later date is 31st March 1959. I think we should be able to submit utilisation certificates by these dates. I have myself made a certain alteration which, if the president accepts, will be put before you. My alteration is that the utilisation certificate should be available on 31st March 1959, and, if possible, earlier. This is the revised date instead of 31st December 1958.

### **Commission's Assurance**

I can understand, although I was not present when the Committee discussed the subject, why this date has been put. As Smt. Johari said, the Commission has given an assurance to the Comptroller and Auditor General that these certificates will be produced before him on 31st March 1959. That is why an earlier date has been put. I would, therefore, appeal to you that though, I have suggested 31st March 1959, for the submission of the utilisation certificates, you should try, if possible, to submit these certificates earlier.

The second point is that, if for some of the institutions it is not possible to give a



utilisation certificate audited by a chartered accountant, we shall give the certificate in some form, provided we can induce the Auditor General to accept the certificate in this form.

The last part will put this way. This conference further recommends that the availability of utilisation certificate should not be treated as a pre-requisite condition for the grant of funds." I think this meets the point raised by Shri Adani. If the Chairman of the Committee is pleased to accept this amendment, it may be put to vote by the president.

**Shri Haribhau Upadhyaya :** I accept the amendment which has been moved by Shri Vaikunthbhai, on behalf of the Committee.

**President :** I take it that the resolution as amended is acceptable to you.

**Shri Gajanan Naik :** I suggest that along with the word "institutions" the words "Co-operative Societies" should be appended.

**Shri Haribhau Upadhyaya :** Several amendments have been moved to item No. 4. We have to discuss them. The amended resolution on item No.3 is as follows:

"After a careful examination of the notes on the subject, the representatives of State Boards agree to furnish by August 31, 1958, disbursement certificates in respect of grants and loans disbursed to them by the Commission up to 31st March, 1957 and utilisation certificates in respect of these amounts by March, 31, 1959, and that the Commission

should examine, in consultation with Audit, the form of certification that would be acceptable to it. The Conference recommends that the availability of utilisation certificates should not be treated as a prerequisite condition for the grant of funds".

### **Why Burden The Boards ?**

The Conference, then, resumed discussion on Item No. 4 to which dealt with responsibility for losses.

**Shri T. S. Gokhale :** Individual institutions are those which have not received funds from the State Boards. Why should the latter then share in the losses ? These institutions are also independent of any control.

**Shri Kapadia :** From the discussions, I find that there is an impression that the State Boards will bear losses incurred by institutions. This is not right. Shri Roy said : "90 per cent of the loss by the Commission and 10 per cent by the Board ?

His interpretation is wrong, I, therefore, suggest that the wording should be recast as follows : "To the extent of 90 per cent but subject to an overall limit of 10 per cent.

Shri Roy also further asks : "What is the ratio of the total loss ? What is the proportion of loss to be borne by the State Board and the Commission ?

**Shri Kapadia :** Suppose the State Board has taken Rs. 50 lakhs. Certain amount has been repaid and the outstanding may be 10 or 15 lakhs. When you give



loans to different institutions, you have Rs. 50 lakhs as the overall limit. If the loss is upto ceiling amount, 10 per cent of that the Commission will bear. If the loss is below Rs. 5 lakhs, then it is in the proportion of 9:1 between Commission and the Board. Over 5 lakhs the loss will be borne by the State Board.

**Shri Roy :** Keeping the overall limit is 10 per cent of the amounts sanctioned. We would request you to put the whole thing in clear words.

**A Member :** The word "each industry" is creating confusion. I do not want loss on Khadi should be taken as the basis.

#### **Create A Reserve Fund**

**Shri Takhatmal Jain :** It seems arrangement exists for meeting losses which may arise only when an institution goes in to liquidation, and the Commission will bear upto ten percent of losses. But what of the loss which an institution may incur while it is still working? Is it to be taken that an institution will not get assistance for overcoming losses unless it goes into liquidation?

I feel that the Commission should help an institution to stand on its feet by compensating its losses, if any. A Reserve Fund should be created for this purpose, which should be utilised to strengthen the working of the institutions.

I am saying this in reply to Shri Pranalbhai's explanation that 10 percent of the losses of an institution would be borne by the Commission when an institution goes into liquidation.

There should be provision for compensating losses incurred in running an

industry.

**Shri K. Venkatramaiah :** This point corresponds to the assurance that is being given by Government to Banks in the matter of recovery. The loss is entirely due to failure of recovery. For meeting the loss in the day to day working we can give special grants. In a programme of expansion, a certain amount of non-recovery has to be provided for and it is being provided for by this decision. Usually there are conditions imposed on the sanction to condone the failure to recover the loss and for that purpose the limit of 10 p. c. has been fixed. It is the intention of the Commission to extend this facility to financial agencies in this country so that the Commission may be relieved of its burden. We have to reach that stage some day. From that point of view, 10 p. c. on the overall loan shall be paid by the Commission. I would, therefore, appeal to the Representatives to accept this proposal and extend this facility to the State Boards and make it 10 p. c. on the overall funds. We have also suggested that 10 p. c. of the loss in individual cases will have to be borne by the State Board. It means that the financing agency will have to exercise more care in future.

#### **First Responsibility**

**Shri Leleji :** If you decide on an overall limit of ten percent, I suggest that the first one percent of the loss should be borne by the institution and the subsequent nine percent by the Commission. It should be made absolutely clear that the first responsibility for loss will be that of the institution.



**Shri K. Venkatramaiah :** I urge that 10 p. c. limit which has been fixed is very reasonable.

**Representative ( Punjab ) :** I have to submit that if percentage is fixed on the basis of each individual industry it would be very difficult to locate where the loss has been. The loss may be due to general mismanagement or it may be an accidental loss. How are you going to say where and how the loss occurred ?

**Shri Leleji :** I wish to make it clear that the financial assistance that is given by the Commission is not merely in the form of loans, but also in the form of grants. I have given two alternatives :

- (i) that instead of fixing an over-all limit of ten percent, the loss should be borne industry-wise ; or
- (ii) first one percent of the losses should be borne by the institution and subsequent nine percent by the Commission.

**Shri Pranal Kapadia :** I want to say that the questions of bearing losses arises only when an institution goes into liquidation. Otherwise, the Commission will not bear any part of the losses incurred by the institutions in the course of their day-to-day working. If an institution has to go into liquidation because of continuous losses, then the question of bearing losses will arise. We may, therefore, consider the resolution as amended. The amended resolution reads :

- (1) " Where the State Boards/State Governments implement Commis-

sion's schemes directly, they must arrange to meet their losses and the risk in running them is exclusively theirs.

- (ii) where State Boards/State Governments implement schemes, for which any assistance in the form of loans is given by the Commission through institutions, or other approved agencies and incur losses in recovering loans obtained from the Commission and the Board in the proportion of 9:1 respectively subject to the Condition of the Commission bearing losses upto 10 percent of the maximum ceiling of the loans advanced. Any loss beyond that shall not be borne by Commission.

- (3) The Conference suggests to the Commission to move State Governments to make annual grants to their State Boards to meet losses and other expenditure."

**Shri Roy :** Losses are not going to be accepted under each industry. Losses may be due to other reasons. It is very difficult to accept this amendment for each industry. It should be 10 percent overall. It would be difficult to assess the loss for each industry.

**Another Member :** When the State Board closes down, who will bear the losses ?

**Shri Kapadia :** Then we will have to approach the Government of India to write off the losses.



The resolution was passed.

**Shri Haribhau Upadhyaya :** I thank

you for your co-operation in passing the resolution.

The Conference then adjourned for tea.

## DISCUSSION ON REPORT OF COMMITTEE NO. 1

Resuming its deliberations after tea, the Conference took up the report of Committee No. 1. The president, Shri Bhaktavatsalam, called upon Shri R. S. Hukkerikar, Chairman of the Committee, to present his report.

"I have", he said, "the pleasure of presenting to you the conclusions of Committee No. 1. This Committee was given 5 items for discussion. In addition to these five items, there was another subject which was not specifically assigned - I do not know whether it was assigned to the other Committee. This refers to the notes and comments on the Agenda of the Conference received from State Boards or Governmetns. This additional point was brought to the notice of the Committee at the fag end and, therefore, the Committee could not discuss it threadbare and the Committee recommended that matter should be taken up by the Khadi and Village Industries Commission and the Khadi and Village Industries Board.

In the deliberations of the Committee, Shri Lele and Shri Srinivasan gave their cooperation and advice throughout. Fortunately, the President of the Conference was also there and he made very valuable suggestions. It is not possible to have unanimity in all respects. However, we have tried our best to suggest how unanimity

can be brought about even in the Acts of the various States. With these few words. I would like to take the recommendations and points one by one.

### WORKING OF STATE BOARDS

#### **Item No. 1 : Difficulties in the working of the State Boards and suggestions for making their work more effective.**

On this subject, we had copious notes from the office of the Commission. We took advantage of these notes and we discussed the following in regard to the difficulties :

- i) Relationship between the Khadi and Village Industries Commission and Statutory State Boards.
- ii) Composition of State Boards.
- iii) Decentralisation.
- iv) Schemes in the States.
- v) Funds for staff of State Boards.

With regard to the relationship between the Khadi and Village industries Commission and the Statutory State Boards generally, the opinion is that the State Boards should be entrusted with full powers in releasing funds to the various insitutions coming under their control. The members of the Committee were very



anxious to see that the State Boards are given as wide powers as possible so that they may feel their responsibility the more and they may be able to do more effective work also. Here we practically reiterated the resolution passed in the previous conference. There is one point, namely, that in exceptional cases the Commission may release funds directly to the institutions.

### **Composition of Boards**

The previous resolution on the subject was passed in 1955. I do not know whether all those institutions which were then under contemplation for direct assistance have now been brought under the control of the various State Boards. The Committee however, recommends to the Commission that these suggestions should be implemented as early as possible. This is in regard to the relationship between the Khadi and Village Industries Commission and the various Statutory State Boards.

About the composition of the State Boards, in the previous conference it was suggested that the Secretary of the State Board should be a non-official, while the Joint Secretary may be an official. The Committee also emphasised the point that the Secretary should be a non-official. In regard to the other point, namely, the Joint Secretary, the Committee is of the view that, instead of a Joint Secretary, we should have a Chief Executive Officer for every Board. That is the suggestion in regard to the composition of the State Boards.

### **Decentralisation**

With regard to decentralisation, so far

as the cooperative societies are concerned, they have to be brought into existence in small areas. Difference of opinion comes when we touch the areas now controlled by the associations registered under the 1860 Act. Some of the associations have got large areas under them and they have been working in those areas for a number of years. If we try to take away some part from their area or we try to bring into existence new societies or associations, then they feel that their work will be impeded. Their work will suffer because they have concentrated in that area for a long time. Therefore, we have suggested that no new society shall be allowed to come into existence in places where old societies are already functioning; but the question of establishing new societies for the rest of the areas uncovered by the established institutions may be considered.

Sometimes, it may happen that a big area is given to a particular institution and even though the association may be working there for 5 years, it might not have covered even one-twentieth of the area assigned to that association. In such cases, the question is whether we should not allow other association to come into existence in that area where no work has been done so far. Therefore, we have suggested that in those areas where the established association, has not been able to do any work, new associations may be allowed to come into existence, provided the work already done by the established association does not suffer. While making this suggestion, we have suggested that a local committee be formed by the



State Board consisting of the representatives of the State Board, the zonal Director of the Commission and of the institution and the committee may examine the position and advise the Board in the matter and, if all these people agree, we may allow other associations or societies to come into existence.

### Implementation Of Schemes

Then the third point is about the modification of the schemes. Generally, these schemes are prepared by the Commission and they are given to the different State Boards for implementation. Sometimes, the State Boards have to introduce modifications here and there to suit local conditions. Sometimes, a particular type of raw material is not available and the Boards may have to incur additional expenditure. Therefore, we have recommended that in respect of modified schemes where additional expenditure over the amount sanctioned by the Khadi and Village Industries Commission is involved, the State Boards concerned should approach the State Government to provide reasonable amounts to meet the additional expenditure.

### Funds For Staff

The last point is in regard to the appointment of the staff. In this respect, the Committee has made the following suggestion.:

"That 4 per cent of the amounts allocated to the State Boards for implementation of the schemes of the Khadi and Village Industries Commission may be permitted to

be utilised for expenditure on staff required for the organisation and implementation of the schemes."

**President :** The Chairman of Committee No. I has explained in detail the various recommendations of this Committee under item No. I. If any member wants to make any remarks, he may do so.

**Shri Roy :** It has been summed up in these words :

"The Committee after discussion came to the following decision :

"That no new Society shall be allowed to come into being in places where old societies are already functioning. Where a particular institution is meant for a bigger area, but is actually working only in a small area, the question of establishing new Societies for the rest of the areas uncovered by the established institution may be considered. In any case, no institution or society should be started in an area covered by the operations of the established institution. In respect of such matters, a local Committee formed by the State Board and representative of the State Board, the Zonal Director of the Commission and of the institutions concerned, may examine the position and advise the Board in the matter."

The Committee decided that.

"in respect of modified schemes where additional expenditure over the amount sanctioned by the Khadi and Village Industries Commission is involved, the State Board concerned shall approach



the State Government to provide reasonable amounts to meet the additional expenditure."

The note pertaining to this subject was considered. The Committee took the following decision :

"That 4 per cent of the amounts allocated to the State Boards for implementation of the schemes by the Khadi and Village Industries Commission may be permitted to be utilised for expenditure on staff required for the organisation and implementation of the schemes.

Before that it is stated :

"Towards this end, the Conference recommends, in the first instance, that such institutions should send their reports regularly to the State Boards etc. etc."

Similarly, later on it is said:

"regarding composition of the State Boards, the Committee decided that the Secretary of the State Board should normally be a non-official and that a Chief Executive Officer may be appointed from among the Officers of the State Government in place of a Joint Secretary mentioned in the resolution of the previous Conference."

Are these the decisions of the Committee ?

**President :** These are the recommendations of the Committee.

### **Institutions And Boards**

**Shri Roy :** In another place it is stated :  
"However, in co-operation with the

State Board, it should create such conditions in which those institutions can be gradually brought within the jurisdiction of the respective Statutory State Boards."

Is it possible to fix a time-limit ? It is better to fix a time limit instead of saying "gradually".

Then it is said :

"Towards this end, the Conference recommends in the first instance that such institutions should send their reports regularly to the State Boards."

The point is that there are certain institutions which are not being recognised by the State Boards or which are not in contact with the State Boards and which are getting help from the Commission. The Commission is trying to affix it to the State Boards gradually. When it will be done, we do not know. During the interim period, the State Board will be compelled to take one or two representatives of such institutions as its members.

I will refer you to para 3 which says:

"The term 'decentralisation' has created some confusion in the field of Khadi and Village industries."

Here there should be some mandatory clause. The Khadi Commission should not recognise any new institution unless it is satisfied with the report of the State Board that it is "decentralisation" and not "fragmentation". The last word be left to the Commission. It is said that no new society will be allowed to come. The word 'society' may create confusion. The



word 'society' has been defined differently in different cases. Instead of the word 'society', I would request you to consider the word 'institution'.

**Shri Srinivasan :** Society includes institution.

**Shri Gajanan Naik :** Registered institution may not include cooperative Society.

**Shri Roy :** I feel a registered institution covers a co-operative society also.

**Shri Gajanan Naik :** It is better to put both the words.

#### Amendment

**Shri Roy :** Again it is stated :

"Where a particular institution is meant for a bigger area, but is actually working only in a small area, the question of establishing new societies for the rest of the areas uncovered by the established institution may be considered."

I would like to put it this way :

"No multiplication of registered institutions shall be permitted within the limit of an area, limit in each case to be fixed by the State Board."

As to the limit of area, I am leaving it to the State Board to fix. Towards the last line it is suggested that "In respect of such matter, a local committee formed by the State Board representative of the State Board, the Zonal Director of the Commission and of the institutions concerned, may examine the position and advise the Board in the matter." My amendment is :

"(1) No multiplication of registered

institutions shall be permitted within the limit of an area, the limit in each case has to be fixed by the State Board in consultation with the Zonal Director and after hearing the representatives of the institutions concerned".

And

"(2) In recognition of any registered institution, cooperative society or union for that purpose shall be given priority"

#### Diversion Of Funds

**Dr. R. V. Rao :** In respect of simplified schemes, it is stated that :

"If an additional expenditure over the amount sanctioned by the Khadi and Village Industries Commission is involved, the State Board shall approach the State Government to provide the wherewithal to meet the expenditure."

The problem which the State Boards experience in many cases is that for certain items the amount is not sufficient and then there is the necessity of diversion of funds and I think it will be better if we permit the State Boards to divert the funds.

As regards the permission to utilise 4 per cent of the funds allocated to a State Board for this staff, the decision was already taken in our meeting of January last and I think it would be in the fitness of things if 50 per cent of the amount is made available to the Boards in advance so that they can go ahead with the appointment of the necessary staff.

**Shri K. Venkatramaiah :** In regard to the composition of the State



Boards, I would like to mention that the State Boards must have adequate stamina. When the State Boards have to borrow funds from the Commission, they must have something of their own also. I would like to suggest that this Conference recommends that the State Government may give to the State Board the initial capital as is done in the case of electric grids.

In some States, the existing working units connected with Khadi and Village Industries are transferred to the State Boards. The assets that have been thus transferred may be considered by the State Boards as their initial capital.

With regard to the suggestion that representatives of the institutions may be taken on the State Boards, I would like to draw the attention of the members to one of the sections in the Act which says that

"No person who is interested in the functioning of an institution for which he will be entitled to receive loans or grants should not be a member of the Board."

This important point has got to be considered. It is also necessary that workers who have been in the field should be on the Board and their services should be utilised for the proper conduct of the Board.

Then, with regard to the appointment of a Chief Executive Officer, we have the municipalities and district local boards where there are executive officers. In this respect, I feel the Secretary of the Board should be the executive Head.

#### **Phased Devolution**

Coming to the next point, my friend

from Bengal mentioned something about the cooperative societies and registered institutions. There was a time when the movement was conducted by highly placed personalities and top ranking thinkers. Now we have reached the stage where the workers come into the picture. The creation of the registered unions was a stage in which this activity was transferred from the control of the top ranking thinkers to the ordinary workers. Next stage would be to hand over the control of this movement to the artisan and that can be done by forming cooperative societies of the artisans themselves. If we keep this view before us, we cannot say that a cooperative society shall not be permitted to function where a registered union is functioning. I would suggest that a registered union itself should be asked to form a cooperative society within a certain time and transfer control to such a cooperative society.

Shri Roy referred to reappropriation, I suggest that the State Boards should have the right to reappropriate from head to head, scheme to scheme.

**Dr. R. V. Rao :** I think the resolution about the registered Institutions and the cooperative societies should be redrafted to avoid any unhealthy competition between the two bodies.

#### **Expenditure On Staff**

**Shri Page :** Difficulties will arise for a local committee to fix such area. Instead of having a local committee, I am suggesting that a sub-committee of the State Board may do this work. That 4 per cent of the



amounts allocated to the State Boards may be permitted to be utilised for expenditure on staff, brings an element of uncertainty. The amount of allocations vary from year to year, Are we to make sudden changes in the pattern of organisation? I think some average may be fixed. Secondly, it is not clear what staff it includes and what staff it does not include. My suggestion is that where at present the Commission is paying 100 per cent salary it should not be included in the 4 per cent.

**Dr. R. V. Rao :** The pattern of scheme itself provides for certain staff. It has to be clarified whether this 4 per cent will be in addition to such staff.

**Shri Bihariprasad :** In the Bihar, Khadi Gramodyog Sangh is decentralising its activity by forming small institutions in different districts. The State Board also formed societies in different places for the implementation of schemes. By this resolution, the State Board will be debarred from forming such institutions. Therefore, I think that the State Board should not be barred from forming institutions for implementing schemes. The Khadi Commission wants that work in Khadi and Village Industries should be decentralised and that is possible when we form cooperative societies in each and every village.

**Dr. R. V. Rao :** The word "Chief Executive Officer" is very vague. Under the Municipal Law, he has got executive powers. Secretary's function is limited to holding meetings. The powers of the Chief Executive Officer should be clearly

defined,

### Position Of Institutions

**Shri Kapilbhai (Gandhi Ashram, Meerut) :** I stand before you to speak on this resolution because it concerns institutions. Firstly, it is said those institutions which are receiving aid directly from the Commission should be brought under the control of state Boards. This will be a wholesome thing. The State Boards should also realise this.

Secondly, if the field of an institution, is very wide but works only in a limited area and a new institution, cooperative or registered institution, is set up there, it should receive recognition of the Commission. But where an institution covers an entire area, formation of a new body in the same area would create confusion and conflict.

The Commission should study this problem carefully and certify an institution only after weighing all points. If an existing institution is not working well, recognition may be granted to a new institution. But otherwise, the Zonal Director must be informed and workers from the area should be consulted before giving permission for starting a new institution. If local Committees, not one for the whole State, are formed for such a purpose the work of the State Boards will be facilitated.

Another thing is that representatives of the institutions should be taken on the State Boards. It so happens that some members of the State Boards are not well versed in Khadi and Village Industries. The inclusion of representatives of institutions



would, therefore, facilitate the work of State Boards. Moreover, technical difficulties in the work can also be overcome easily by associating Institutions which have been working in this field for the last several years, with the State Boards.

**Shri Babubhai Patel :** Having taken part in the deliberations of this Committee, I had no desire to take part in the discussion here, but, I am afraid, I have to do so because what is placed before us now is not exactly what happened in the sub-committee, I think that the sense of the sub-committee was that where the whole area was not covered by an association already working in that area. New societies should be allowed to come into existence and cover the uncovered area. A concrete instance may be taken of the Meerut Ashram. It has three centres and yet it does not come in the way of any new institution coming up in those areas. Take the instance of the Bombay State Co-operative Bank. It has branches throughout the State, but when a District Bank comes into existence then the State Co-operative Bank passes its activity on to the District Co-operative Bank. That should be the healthy attitude. Such a provision should be made by suitably amending this paragraph.

#### **Correct Attitude**

**Shri Magadi :** With regard to the constitution of the State Boards the recommendation made by the Committee is absolutely correct. The experience of the representatives of the institutions which are already in the field for the last 20 or 30 years is very valuable and, therefore,

these representatives should find a place on the Board. Shri Venkatramiah said that they were interested parties and so they should not be taken up. But who is not interested? I may say that this is a conference of the Secretaries and Chairmen of the various State Boards. They are also interested parties. The State Board itself is an interested party. If any undue advantage is sought to be taken by any representative, he should be taken to task. As a matter of fact, in various State Boards people who do not wear Khadi are taken up. Why then those people who have devoted themselves to this work should not find a place on the Boards. ?

Then, there should be no objection to new institutions coming up where an area is not covered by an old institution.

**Dr. Niripendra Bose(West Bengal):** I am going to say something about the registered institutions that are working in the field, especially in Bengal. So far as the Statutory Board is concerned, I can tell you that there are no experienced men on this Board, and if we do not take on the Statutory Board representatives of the institutions that are working in the field for a long time, their work will be hampered. I urge that representatives of the institution which have been working in the field for a long time, should be taken on the Board.

As regards the second part, as has been said by other members here, I feel that if a Chief Executive Officer is appointed over the head of the Secretary of the Board, the work of the Secretary will suffer.



So, please do not put anybody with greater power over the head of the Secretary.

Lastly, I would urge that in Bengal the Statutory Board should start working in the areas where no work is being carried on at present. At least 99 per cent of the area in Bengal is not covered by any institution.

On the whole, I think, the resolution put before the Conference is very good.

### Define His Functions

**Shri T. S. Gokhale :** Where all members of the State Boards are non-officials, it is essential that there should be a Government official because, after the funds come from Government. What the powers and role of this official should be is a point to be considered.

I welcome the resolution which calls for the appointment of such an Officer, but we will also have to lay down the responsibilities of this official. The officer should see that the work of the Board is carried on according to Government rules. He should not have executive power.

Another point related to the establishment of new societies in places where old societies are already functioning. My view is that formation of new institutions is not in our hands. Government rules and regulations are there and under its Act any society can be formed. We have no voice there. But the commission may or may not accord recognition to an institution.

The last paragraph says that 4 per cent of funds to be utilised by State Boards on

staff. It is not clear from where this four per cent will come.

### Encourage New Bodies

**Shri Jhaverbhai Patel :** I am taking up a part of the resolution – the setting up of new institutions in areas where institutions already exist. I think that new institutions should be started because there are still several areas in the country where village industries work has still to be introduced. It has been stated that new persons will not come forward where work is already in progress.

The recommendation of the Conference should be that the Commission should encourage the formation of new co-operative societies of artisans. This is a field of service. There is no room for fighting over rights here. It is not right that new institutions should not be allowed where an institution is already in the field. We must realise that this attitude weakens the Khadi movement.

My problem is this : If, in a village, Khadi workers are not in a position to take up development, shall we not allow the local population to go ahead by forming their own society ? Will the existing institution take objection to the formation of the new society, accusing the latter of encroaching on its rights ? I therefore think that the resolution is negative in approach. No question of right should be involved in this. Being a field of service, there should be no limit for its expansion. The old institutions must understand that where the local population is willing to take up responsibility, the work should be entrusted to



them. I feel that this resolution is harmful and should not be adopted in its present form.

I also feel that the nomenclature of the Chief Executive Officer should be changed. His duty will be to assist the Board in its work and not to curtail its Power. His salary will be paid by the State Board.

### Clarification

**Shri V. L. Mehta :** I will try to reply to some of the observations made by members. With regard to the composition of the State Boards the Committee has suggested that the various institutions functioning in that State should have a representation in the State Board. That does not mean that each institution will be represented, but there may be one or two representatives on behalf of the various institutions functioning in that State. That is the idea. With regard to the objection raised that those people will have interest in the various schemes and in financial matters also, just as we have got a provision in some institutions and corporate bodies whereby when financial matters with regard to the particular institution belonging to that member is being discussed, the member is requested to be absent at that time. If some such provision is made in the Act itself, I feel that this objection can be met. Therefore, my request is that you accept the recommendation of this Committee with regard to composition of the State Board.

With regard to the Secretary and Chief

Executive Officer, I am not worried about the name—whether you call him Chief Executive Officer or Administrative Officer as one member suggested. The object of this : the non-official Secretary is that and he will look to the general carrying out of policy and that, when matters are decided in the Committee or the Board, it is the business of the Executive Officer to see that implementation is made not only according to the spirit of the resolution passed by the Board, but according to the various provisions of the Act. Even in the Commission we have a non-official Secretary and a Chief Executive Officer. Their functions are separate. The functions of the proposed Executive Officer will be determined by the State Board. There will not be any conflict between the work of non-official Secretary and the Chief Executive Officer. The suggestion may be accepted.

### Name Matters

**Shri Venkatachalapathy :** When there is a separate Executive Officer, it implies that the Secretary has no executive functions. I would suggest "an Official Secretary".

**President :** Each Board may have its own name. The whole object is that when resolutions are passed by the Board, it is the duty of the Chief Executive Officer to implement them.

**Shri Venkatachalapathy :** The name of the Officer is very important. If you suggest "Chief Executive Officer" and leave



to the State Board, every State Government may say that this Conference has recommended the appointment of "Chief Executive Officer".

**Shri R. S. Hukkerikar :** Each Board may have its own name for this officer. His work will be to see that the resolutions and policies decided by the Board are carried out. You may call this officer as the Chief Executive Officer or by any other name.

**Shri Vaikunth Mehta :** This difficulty of designating the officer may be got over by saying that the officer to be appointed by Government be entrusted with administrative powers such as may be decided upon by the Board.

**Shri Hukkerikar :** The Board itself will make the appointment.

### Spirit Behind Decision

Then, with regard to the creation of new societies, Shri Babubhai Patel said that the wording was not according to the sense expressed in the Committee meeting and that there should be something positive. The wording can be changed, but the object is to see that the existing institutions, whether they are registered institutions or co-operative societies, do not suffer in their work where they are working effectively. Their work should not be affected by the starting of new associations. That is the whole object of this resolution.

We know by experience that when a new institution comes up in an area where there is already one institution functioning, the work of the old institution suffers. That should not happen. At the same time,

we have made provision to see that the old institutions should not have the monopoly of that area. We have suggested that the State Board should appoint a committee consisting of the Zonal Director, representatives of the institutions concerned and one or two members of the State Boards and such a committee should examine the question as to whether the interest of the existing institution is affected by the creation of new institution. If it is not affected, then the Committee may recommend the creation of new institutions. Supposing a number of societies come into existence in a particular area, then all these institutions will not have sufficient work. The State Board will have to consider the interest of the existing institution before they allow new institutions to come into existence in that area.

**A Representative :** The Commission should be the final authority to decide this question.

**Shri Hukkerikar :** I may say for the information of the members that when the Bombay State Board transferred its work to some of the other associations district-wise, it made a condition that if new institutions or associations come into existence in smaller places, then the work in those talukas or pethas or mahals should be handed over to such smaller associations. So, the idea is quite clear.

Then, with regard to 4 per cent of the funds to be given by the Commission, there is a note given by the office on the subject (See Appendix 6). If you go through this note, I think some of the objections raised



here will not stand.

Then, there is one more point. At present, there are some institutions which receive funds from the Commission directly. We have suggested that gradually these institutions should come under the jurisdiction of the State Board. The Commission will take into consideration the sense of this Conference before deciding this issue. The sense seems to be almost unanimous, namely, these institutions should come within the jurisdiction of the State Boards. But, if, in the case of any institution there are any special considerations, the Commission will inform the State Board about it and carry on directly with the institution for some time more. For the present, let the wording be as it is.

**Shri Roy :** There should be a time limit fixed. The word "gradually" should be amended. What about that ?

#### **Redrafting Suggested**

**Shri V. L. Mehta :** When we use that word it makes it incumbent on the Commission to see that this process is speeded up. In regard to the formation of cooperative societies, there seems to be some misapprehensions. Naturally, there should be cooperative societies formed of artisans. Therefore, we shall have the resolution redrafted. First we will reiterate the view that was expressed in the previous conference. We are in charge of a programme and, therefore, we shall say that we will promote such development which is not likely to be detrimental to putting through our programme. We shall also say that it will be desirable to encourage formation of cooperative societies

in places where there are institutions covering large areas, but operating only in part of those areas. When these co-operative societies are formed, those societies will be aided by such institutions and will enjoy contact with State Boards. If we put something like that, I think that will meet the sentiments that have been expressed here instead of expressing an opinion which is negative. We will say something positive.

At this stage the conference adjourned for lunch.

#### **The Final Decisions**

The Conference reassembled in plenary session at 2-30 p. m. The President, Shri Bhaktavatsalam, informed the Conference that "the draft resolution in respect of item No. I has been revised by Shri Vaikuntabhai Mehta."

**Shri V. L. Mehta :** I have tried to incorporate all the ideas expressed here. The revised draft resolution is as follows :

"This Conference reiterates the view expressed at the previous Conferences that the work of Khadi and Village Industries should be decentralised. It is necessary particularly to promote the formation of co-operative societies of artisans. In doing so, the desirability of ensuring continuity of development should be kept in view. Where institutions meant for large areas actually work in a small area, the needs of areas not covered by the established institutions deserve especially to be considered. Both the State Boards and the established institutions should interest themselves actively in the organisations of co-operative societies



to serve these areas. In respect of the determination of the areas every State Board will constitute a Committee consisting of one or more of its own members, the Zonal Director of the Khadi Commission, representative of institutions concerned and a nominee of the Co-operative Department to examine the position".

The resolution as amended was agreed to.

**Shri Hukkerikar :** Now, with regard to the composition of the State Boards. The recommendation will be :

" The Conference decides the Secretary of the State Board should normally be a non-official member of the Board and that an officer of Government may be associated with the work of the Board in an administrative capacity in place of the Joint Secretary mentioned in the resolution of the previous Conference. Such officer will be appointed by the State Board. "

This makes it clear that the non-official Secretary will be a Member of the Board and the administrative or executive officer who will be appointed by the Board itself, will not be a Member of the Board.

Then the word "gradually" in the earlier part may be dropped. We suggest

"that the State Board should create such conditions as to bring these institutions within the jurisdiction of the Board."

**President :** I take it that the representatives, in view of this clarification, accept this resolution as finally drafted.

The resolution as it now stands reads :

- (i) That the Khadi and Village Industries Commission should implement its development programmes through the statutory State Boards and disburse funds to them for the purpose. In view, however, of the difficulties experienced by the ( Commission ) in this matter, on the one hand and in view of the continuing need to assist the registered institutions already in the field carrying on the work of Khadi and Village Industries on the other, the Commission may in exceptional cases continue for sometime to assist those institutions. However, in co-operation with the State Boards, it should create such conditions in which those institutions can be brought within the jurisdiction of the respective Statutory State Boards. Towards this end, the Conference recommends in the first instance that such institutions should send their reports regularly to the State Boards and that representatives of such institutions might be appointed as Members of the State Board.
- (ii) that where a given State Board is unable to implement the development programme for an Industry or to attain the given target of production undertaken by it or where the State Boards experience special difficulties in actual work, the balance of the unfulfilled quota of the production may be taken over



by the Central Board (Commission) to attain the given target of production,

- (iii) that in future all schemes of Khadi and Village Industries prepared by the State Boards should ordinarily follow those drawn by the Central Board to ensure uniformity of approach and similarity of estimates of required funds. If the State Board has either new schemes or schemes which slightly or substantially different from those of the Central Board, such schemes may be a separately submitted for consideration of the Central Board."

The resolution was agreed to.

### **Powers Of State Boards**

**Item No. 2:** Modification in the Acts constituting the State Boards so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission.

**Shri Srinivasan:** The notes\* in the agenda mention in what respects modifications in the sections of the Act constituting the State Boards may be necessary. Take, for example, the borrowing power. One or two Acts do not mention anything about the borrowing powers of the Boards. Further, almost every Act says that the State Boards can accept grants, subventions and receive loans. Later on, after two sections, you will find another section which detracts from the powers given in the above section. It says that

without the sanction of the State Governments they cannot borrow. So, the powers given by the previous section are very much restricted by later section. I suggest that there should be provision in the Acts which would enable the Boards to borrow. So far as loans received by the State Boards from the Khadi Commission are concerned, the State Boards should have powers to borrow as and when the Commission is in a position to give and the State Boards to spend without further reference to the State Governments. So, the section which limits the powers of the State Boards in the matter of borrowing should be deleted.

Then, with regard to the powers of the Boards to reappropriate. The State Boards do require sometimes certain powers for slightly modifying the pattern of the schemes ; but there is a prevailing practice that the State Boards should not modify the patterns. When the local conditions require a slight modification of a scheme, the State Boards have to refer the matter to the Commission for sanction. They must not be asked to refer the matter again to the State Government. So, here also some provision will have to be made. In West Bengal, a State Board is being formed and the Bill in respect thereof which is on the anvil, contains a clause that the State Board will not have power to trade. Now, so far as the State Boards are concerned, their functions include trading activities also. Otherwise the State Boards will not be able to function.

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\*Appendix-3.

The State Board should have the power



to write off losses. Now and then in the normal course of the business of the State Board some losses might accrue and they may be very small losses. In such cases the Boards should not be asked to refer the matter to State Governments for approval.

Another thing about which a reference has been made in the morning and that is about recovery of loans under "public demand". It is suggested that the State Boards may examine their constitutions and suggest whether these amendments are necessary. The Commission may examine the same and afterwards take up the question with the State Governments concerned. At the same time, the State Boards may also take up the matter with the State Governments and persuade them to effect those amendments.

The conference passed the following resolution on the subject;

"That the Statutory State Boards, where they have been constituted, be requested to examine the provisions in their State enactments constituting them and to forward to the Khadi and Village Industries Commission proposals in regard to the nature of the amendments necessary in those enactments in order to give them similar powers as have been given to the Khadi and Village Industries Commission. On receipt of these proposals for amendment, the Khadi and Village Industries Commission may be requested to approach the State Governments concerned to have the amendments effected in their enactments constituting the State Boards, and State Governments may be request-

ed to consult the Commission before introducing any amendments to the respective State Acts."

### **Jurisdiction of Boards**

**Item No. 3 :** Jurisdiction of State Boards consequent upon the Reorganisation of States :

**Shri Hukkerikar :** Some of the areas which were formerly under one State now gone to another State, but no specific provision has been made in the State Acts extending the jurisdiction of the Boards to those areas. So the Acts have to be amended. Therefore, it is proposed that this question should be taken up by the State Boards as well as the State Governments. So long, many of us did not know who should move first. This question was discussed yesterday and the conclusion has been put in the following resolutions.

"That in States where more than one State Board functions or where the jurisdiction of a State Board has been affected consequent upon the transfer of territories under the reorganised states, the State Government may immediately initiate steps to have one Statutory State Board with jurisdiction over the whole State. For this purpose, Section 5\* of the Inter State Corporations Act

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**Section 5 of the Inter-State Corporation Act Says :**

\*The Central Government may, by notification in the Official Gazette, specify in the Schedule any Act under which a body corporate constituted for a State is functioning in two or more States by virtue of Section 109 of the States Reorganisation Act, 1956, and on the issue of such notification, the Schedule shall be deemed to be amended by the inclusion of the said Act therein.



will have to be invoked to have the Act constituting the State Board included in the Schedule to that Act. Thereafter, the State Governments concerned may formulate schemes for the transfer of the assets and liabilities and other matters with regard to areas which had been either added to or taken away and over which the State Board concerned had jurisdiction before the reorganisation of States and forward them to the Union Government for approval under Sections 3 and 4 of the Inter State Corporations Act. In particular, the attention of the State Governments of Bombay, Rajasthan, Mysore, Andhra, Madhya Pradesh and Bihar are invited to take immediate steps on the lines stated here.

That where State Governments have not initiated steps so far to form Statutory State Boards, the Khadi and Village Industries Commission may be requested to approach such Governments to take early steps in the matter".

**Shri Adani :** We have appointed a Committee for Karnatak areas which have gone to Mysore. That Committee is functioning. I have explained the position to the Chairman of the Committee.

**Shri Hukkerikar :** I do not say that they are neglecting this area. I say that it is not possible for the Bombay Board to give as much attention as they were giving when these areas were directly under the Board.

There were some suggestions regarding Centrally Administered Areas also in the

Committee. With regard to those areas, the Committee passed a resolution that the Khadi and Village Industries Commission should be requested to examine the present situation and consider the feasibility of setting up at its headquarters a department for undertaking development of Khadi and Village Industries in them. The resolution on the subject reads as follows :

"That the Khadi and Village Industries Commission be requested to examine the present situation in the Centrally Administrated Areas and consider the feasibility of setting up at its Headquarters a department for taking up development of Khadi and Village Industries work in the Centrally Administrated Areas."

Both the resolutions were passed.

#### **Item No. 4 : Staff for the State Boards :**

**Shri Hukkerikar :** We discussed this partially while discussing the question of 4 per cent grant for expenditure on staff. With regard to the other item, the Committee decided that:

"the State Boards may be informed of the number of persons trained in the Vidyalyas and Mahavidyalayas, who were available for employment and that preference should be given to such candidates in the selection for appointment under the Boards."

So far, the Vidyayalas were training workers only for spinning and weaving. Higher studies with regard to some other industries were undertaken by Mahavidyalas. The



Training Committee of the Commission has decided that there should be a general training for all workers under the Khadi Commission or the State Boards. So the syllabus for training is being changed. Here after it will be desired, that workers, whether they work as clerks or inspectors or auditors or in any capacity, should have some sort of training so that they will have the necessary background that is required to work under the Khadi Commission.

**Shri Dhirubhai Desai :** These trained in post-basic institutions may also be given preference.

**Shri Kapadia :** Staff of the Khadi Commission is also to take a refresher course. Funds will be made available to the State Boards for training their staff.

The resolution which was finally agreed to read as follows:

"That the State Boards may be informed of the number of persons trained in the Vidyalayas and Mahavidyalayas and Post Basic Institutions, who are available for employment and that preference should be given to such candidates in the selection for appointment under the Boards. It is further decided that the Khadi and Village Industries Commission should establish a cell to assess man-power problems particularly keeping in view the requirements under the Third Five Year Plan."

**Item No: 5 : Special arrangements for work in Community Development Areas, Intensive Area Schemes Gramdan Villages, Co-operative Federations and Statewise institu-**

**tions particularly for Ambar Charkha Programme.**

**Shri Hukkerikar :** Shri Srinivasan explained the present position in the various C. D. Areas and after discussing them we came to the following decision:

1. The Khadi and Village Industries Commission may release funds allotted to the States as a result of the joint discussions, to the Statutory State Boards which would in turn release funds for work in the Block Development Officers.
2. Statutory State Boards will co-ordinate these activities in the Block Development Areas and of Co-operative Societies and institutions in the States.
3. Development Commissioners may be included as Members in the State Boards.

Other resolutions passed were :

That certification of Co-operative Societies by the Certification Committee of the Khadi and Village Industries Commission, should be done on the recommendation of Statutory State Boards.

That the Secretary of the State Board shall be a non-official, and that all the officers and members of the staff working under the State Boards shall wear Khadi.

The Committee also decided That each Statutory State Board may constitute a Standing Finance Committee to advise them on the administration of funds placed at their disposal.



At present, there are no organisations. They have to be created. Till the organisations are created, funds will be required to enable the organisation officer to create these organisations.

**Shri Marar :** I do not think he will be able to do that.

**President :** This can be done through the Development Department. What is your suggestion ?

**Shri Srinivasan :** Kerala there are assistance directors in charge of districts. They look after Khadi and Village Industries especially. Though they are paid by the Industries Department, they put under the control of the State Board. That is what I understand from the Secretary of the State Board. The State Government gives them powers to receive funds from the State Boards. There will be no difficulty. In the same way, some such arrangement can be thought of about the Block Development Officers.

**Shri Roy :** Some procedure can easily thought of by the State Government concerned,

#### **Procedure in Andhra**

**Dr. R. V. Rao :** In regard to the work of development of Khadi and Village Industries in the Community Development Areas, the present practice is that the amount is made available to the Development Commissioner who in turn gives the money to the Director of Industries so far as our State (Andhra) is concerned. The Director of Industries gets proposals from the Assistant Director of Industries who in turn gets them from the Block

Development Officer. In this way we have been utilising the money made available by the Commission to the State Development Commissioner. Supposing Khadi and Village Industries Board want to develop Khadi and Village Industries in these areas, we can easily have collaboration with the Assistant Director of Industries who has got the necessary supporting staff. I feel it is better to make some arrangement between the State Board and the Industries Department.

#### **Position in Bihar**

**Shri Braj Bihari Prasad :** For some time the Development Commissioner was getting money direct from the Commission. When the State Board was formed a resolution was passed authorising the State Board to receive money for Community Project Areas from the Commission. We ask the Block Development Officers to form co-operatives. When co-operatives are formed, the State Boards grant loans. This practice is in vogue for the last two years and has proved successful. In every meeting of the Board we invite the Development Commissioner. We do not give money to the institutions. We pass on the money to the Central Bank concerned. If money is handed over directly to the Block Development Officer, I am afraid that the progress may not be there to the extent we expect. They can formulate schemes and create the necessary atmosphere. So far as the training schemes are concerned, if they take up training according to the conditions approved by the Commission, then, of course, money can be given provided the Development Commissioner of the State Government approves.



**Shri Srinivasan :** There was a committee appointed by the Commission itself under Shri Zaman, Joint Secretary of the Commerce and Industry Ministry. Members of the Commission were also there as members. That Committee was appointed to review the progress so far as the Ambar Charkha Programme was concerned. That Committee recommended with very great force that the State Development Commissioner should be a member of the State Board as he is responsible for the development of industries in the State. At the same time, a section of the representatives of the State Boards supported this view. This is how this recommendation has come. That is the view taken by the committee yesterday.

**Shri V. L. Mehta :** We may say that where the practice is to include officials as members, the Development Commissioner may be made a member of the State Board. In other States, the Development Commissioner should be invited to attend meetings of the State boards.

### Question Of Faith

**Shri Shrinivasan :** With regard to the composition of the State Boards, I may remind the members about the recommendation made by the previous two conferences of 1954 and 1955. Those conferences decided that the maximum number of the members of State Boards should not be more than 15, and the majority of the members must be non-official. In many State Boards officials have been included as members. There is also the view among the representatives of the State

Boards that all the Members of the State Boards should be non-official. In the Bill drafted by the Andhra Government, it is stated that out of the 14 members constituting the Board 6 shall be officials. If six officials can be members of the State Boards, why not include the Development Commissioner also ?

**Shri Babubhai Patel :** These officials may have no faith in Khadi. In including these officials on the Boards, we should lay down the condition that they should be habitual weavers of Khadi.

**Shri V. L. Mehta :** I may mention that a recommendation has been made by the Community Development Ministry that all the officers engaged in the development activities must take to Khadi.

**Shri Hukkerikar :** we have also suggested that all the officers and members of the staff working under the Boards shall wear Khadi. All Members of the Boards, of course, will be Khadi wearers.

**Shri Babubhai Patel :** They should be habitual wearers of Khadi.

**Shri Hukkerikar :** We have recommended that all members of the Board, whether official or non-official, and members of the staff must wear Khadi.

**Shri J. P. Shrivastav :** In our Act, it is provided that the Board shall have not less than three and not more than 5 members appointed by the State Government. So, in order to take the Development Commissioner as a member, we will have to amend the Act.

**Shri V. L. Mehta :** There are States where there are officials who are members



of the Board. There are quite a large number of States where there are no officials on the Boards. It is a matter of policy with those States that no officials should be included as members of the Board. We can start by saying that where the practice is to include officials among the members of the Board, the Development Commissioner should be one of the Members and where the practice is not to include officials, the Development Commissioner may be invited to attend the meetings of the Board.

**The Chairman :** I think the resolution as now re-worded, seems to be acceptable to all. The resolution reads :

1. " The Khadi and Village Industries Commission may release funds allotted to the States as a result of the joint discussions to the Statutory State Board which would in turn release funds for work in the Block Development areas through the Community Development Departments in the States.
2. Statutory State Boards shall coordinate activities in the Block Development Areas and of Co-operative Societies and Registered Institutions in the States.
3. Where it is the practice to include officials in the Statutory State Boards, the Development Commissioner should necessarily be a member of those Boards.
4. The extending activities for the development of village industries and the Ambar Charkha Programme in Community Development Blocks

of different States may call for suitable direction and co-ordination at various levels and for that purpose the conference feels it will be desirable for the State Boards specially to assign this work to one of their senior members with necessary staff to follow up the fast extending work in Community Development Areas."

The resolution was agreed to.

**The Chairman:** Then, after this, there is sub-item (b) regarding the Ambar Charkha. I think the suggestion here is accepted. Now, about the work in Gramdan villages.

**Shri Hukkerikar :** I presume that all of you have read the report. In this report the action taken already is mentioned. The Committee passed the following resolution :

- (1) "That where difficulties as experienced by the Orissa State Board were experienced, the question may be referred to the Khadi and Village Industries Commission for Advice and guidance.

In Orissa, schemes are taken up by the Sarva Seva Sangh. They introduce a number of changes in the schemes with the result that the State Board finds it difficult to give funds. So we say where "difficulties arise as in Orissa."

- (2) We say that "State Boards might consider allocation of a specific percentage of total amounts in their budgets for expenditure in Gramdan villages as decided by the Kerala State Board".



It is also mentioned that the Mysore Board has asked for an allotment of a sum of Rs. 15,000 to be spent in Gramdan villages. Of course, the budget has to be approved by the State Government.

**President :** That is accepted ?

The resolutions were accepted.

### **Federations of Institutions**

#### **Co-operative Federations and State-wise Institutions**

**Shri Hukerikar :** Here the idea is that just as we have mentioned something regarding work in Gramdan villages and Community Project Areas, so also we are mentioning the work of co-operative federations. In some States there are some federations.

These federations require assistance from the Commission. Some workers may say that if those federations are recognised by the Commission, they will become parallel bodies to the State Board. They will take up all the functions which the State Boards are exercising today. But this is not so. The idea of having federations is explained here. It is not possible for every small institution to take up all processes even with regard to Khadi. Supposing they want a calendering plant. It is not possible for small bodies to have it. If they form a federation, that federation can set up a calendering plant, and the small units can have the benefit. That is the purpose of forming such federations. They will be working under the State Boards. Money will also be released through the State Boards. So long as we have not got sufficient number of co-opera-

tive societies to form a federation that co-operative society may also be allowed to join this federation of associations. When sufficient number of cooperatives come into existence, then there will be a union of co-operative societies just as we have got co-operative unions for other purposes.

**Shri Roy :** My point is this. Suppose in a district there are 30 cooperatives and 20 institutions. For purposes of marketing etc., should these cooperatives be allowed to join the Federation of Institutions ?

### **Experience In Rajasthan**

**Shri Rameshwar Agarwal (Rajasthan) :** Now we are discussing a question of federation of institutions. In Rajasthan, a federation of the Khadi institutions has been formed and is working well. I am, therefore, placing before you our experience in this matter.

Our experience is that small institutions have to face several difficulties due to their limited financial resources. When Shri Lele and Shri Kapadia were on a tour of the State they were acquainted with these problems confronting the small institutions. For example, purchasing of cotton could not be done by a single small institution alone. They suggested that if the institutions could come together in a federation, this work would become easier. We acted on their advice and set up several federations in the State for different types of work. Thus the federation purchased and stored cotton and distributed it to the institutions when needed. Similarly, Bhandars were opened by the federation.



Fear has been expressed that setting up of such federations would detract from the importance of the State Boards. This, I emphasise, is an unwarranted fear. This is because spheres of work of the State Boards and the federations are different. There would be no conflict between the two.

Our experience is that such federations have proved of great help to small institutions. They can also help in the purchase of costly implements which can be given on hire to institutions.

Our aim must be to make Khadi work more and more broadbased and in the final analysis masses must be trained and equipped to carry it on. Formation of federations is a step in that direction. The work which is carried on by State Boards should be transferred to such federations. Gradually the work should be organised on the basis of self-reliance. This alone will place Khadi work on a strong foundation.

### **Co-operatives, Too, May Join**

**Shri V. L. Mehta :** Here reference is meant to federations are being organised by a number of institutions registered under the Societies Registration Act and are intended for service to the Community. I personally believe that there should be no objection to co-operative societies joining these federations. I believe there is one section in the co-operative Societies Act which lays down that no investment can be made other than in a co-operative institution except with the general or specific approval of Government. If membership of the federation involves investment of funds by a co-operative society, the question will have to be taken up with the Government for special

permission. If a large number of societies join a federation, Government will, I have no doubt, issue a special order. Co-operative societies may, after securing Government's permission, join such federations until the time when they can start their own federations. There was a discussion of federation being formed of co-operative societies yesterday. But that has not found place in the resolution here. The resolution will be suitably worded to cover that point also.

**Shri Kapadia :** I would like to draw your kind attention to the fact that federations which are to be created for co-operatives or registered bodies, have to be considered for different types of industries with which the Khadi Commission is concerned. We have been going round and getting together different institutions and co-operative societies. Rajasthan Federation came into being because of purchase of cotton worth Rs. 40 to 50 lakhs. The goods produced by small institutions could not be marketed and, therefore, these institutions were closing down. It was for this reason that the Federation was created. The whole idea behind the federation is to help small institutions where State Board or Khadi Commission is not in a position to help them individually. I would, therefore, request that the resolution be passed. The word "at State Level" should be removed.

**Shri Hukkerikar :** In yesterday's meeting it was suggested and it was agreed that federations of co-operative societies be formed. While discussing the subject, I think the suggestion was made by Shri



Gajanan Naik, I said that there is no difference of opinion in this regard. But somehow this has not been included.

**A Representative :** I think there is some misunderstanding about these federations. It is thought that they are rival institutions. That is not the case. They are not going to be rival institutions. They will also engage themselves in promoting Khadi work.

### Benefits Of Federation

**Shri V. L. Mehta :** I suggest that we give this question a fuller consideration. There is always an advantage in having federations of small institutions – cooperative or other. In this connection, I would like to recall that no less a person than the Prime Minister of India has always stressed the point that the co-operative societies should be small in size and had said that the advantages that large scale organisations confer on the modern economy can be secured by these small institutions by forming federation. These federations are ordinarily intended for small institutions and that is why the words “federation of small institutions” have been used. These small institutions have not got the resources which the big institutions like the Gandhi Ashram have built up. They should be enable to have the advantages of the economics of scale. This they can have when they are adequately assisted. Assistance will be effective if they have common facility shops and services. The object of federating is to have such facilities. The question is what should be the size of those federations. If you have a

multi-purpose federation covering the entire State, the need for the existence of State Boards may vanish. The State Board is intended to perform certain functions and duties.

Then comes the question which is not very controversial, whether a co-operative society should be permitted to join a federation which is being brought into existence by the registered institutions. These institutions are registered under the Societies Registration Act and they are intended mainly for the service of the community. I personally believe that there should be no objection to the co-operative societies joining such federations.

The resolution as amended was passed. The amended resolution read as follows:

“That it is agreed that federations of small institutions, either of co-operative or of registered institutions, may be formed.”

**Shri V. L. Mehta :** Orissa, Madras and Kerala have sent their comments on the items of the Agenda to the conference. For want of time it was decided to refer these matters to the Khadi Commission. We may agree with the recommendation of the Committee, which is as follows :

“That these notes and the suggestions contained in them may be examined by the Khadi and Village Industries Commission and discussed with representatives of the State Boards at a meeting of the Khadi and Village Industries Board”.

The motion was accepted.

### Concluding Speech

With this the business of the Conference concluded.



Winding up, **Shri Bhakatavatsalam** said : " We have now come to the end of the agenda. The fact that we have been able to dispose of the agenda so quickly, yet, after thorough deliberation, is due to the excellent spade work done by the two Committees. On your behalf and on my own behalf, I would like to convey, particularly to the Chairman and the secretaries of the two Committees, our sense of appreciation and gratitude for the very valuable work that they have done in these committees.

In this open conference we examined the various proposals and recommendations closely and thoroughly and you offered constructive suggestions and comments as a result of your rich experience as field workers. The conference has accepted many of your suggestions. I may express to you my own sense of gratitude for the excellent manner in which you offered your co-operation in conducting the deliberations of the Conference.

On your behalf and on my behalf, I must express my sense of gratitude to the Khadi and Village Industries Commission for taking the trouble to arrange this conference which has enabled us to discuss so many questions which have been agitating us

### **Place of State Boards**

Proper and effective functioning of the State Boards is essential for the pursuance of this movement. The work has to be carried out through the State Boards. The Khadi Commission is there to offer its valuable guidance and assistance, both technical as well as financial; but the main

work has to be carried out by the State Boards. You have pointed out many difficulties and made constructive suggestions to minimise those difficulties and, I have no doubt that, as a result of these deliberations here, the State Boards should be able to carry on their work more effectively.

The State Boards have to carry on the various activities in the country. They have to co-ordinate the activities of the various agencies in the field. Considerable attention has also been bestowed on the co-operatives in this movement. I am glad to see that the efforts of the co-operatives in this movement are highly appreciated by one and all present here.

You have rightly said that the members of the State Boards should have faith in this movement because, unless a man has got faith in a particular thing, he cannot do his utmost to further the interest of that thing or cause. But I would say that, besides faith in the official and non-official programmes, one should also have the aptitude for the type of work that has to be carried out by spreading this message of Khadi and Village Industries to the masses in all villages and by guiding them properly and enabling them to take full advantage of this movement. I have no doubt that the State Governments are quite earnest about it and they will see that the proper type of membership is there in all State Boards. The main thing to do is to effectively co-ordinate the activities of the various agencies. It should not be a dog in the manger policy.

### **State Enactments**

About the need for amending the State



Acts, the Khadi Commission itself has made suggestions and we have adopted those suggestions. All State Governments will have to amend their Acts suitably, but they should not be made too rigid.

During the discussions, in the First Committee and here in this plenary session there have been considerable discussion about officials being included in State Boards. I would like to say, in this connection, that promotion of Khadi and Village Industries schemes and programmes is no longer the privilege and prerogative of non-official agencies. It is a national programme and all have to work. The officials are there to carry out the policies of Government. I would, therefore, submit that we should not worry ourselves about the unsuitability of this or that personnel. Whether he is official or non-official, if one is found unsuitable, he will have no place in this organisation.

### **Constructive Conclusions**

I do look forward to the further vigorous implementation of the programme of Khadi and Village Industries as a result of the deep deliberations and constructive conclusions that have been reached at this conference. I express to you all my congratulations on the fine manner in which you have participated in these proceedings. I offer to you my own thanks for the excellent manner in which you have co-operated with me in conducting the deliberations of this conference. I once again express your and my own gratitude to the Khadi and Village Industries Commission for the excellent work they have been carrying on.

Thank you once again."

Shri C. Roy paid a tribute to the Khadi and Village Industries Commission for the excellent manner in which the Conference had been conceived and arrangements made as well as for the very helpful spadework which helped the delegates in coming to grips with various problems and in making the deliberations both in the Committees and in the opening Conference instructive and useful. He thanked the Commission for the opportunity given to bring together representatives from the various States and said that the Conference had given to all a clear idea of the many difficulties in the promotion of Khadi and Village Industries and how the Khadi and Village Industries Commission sought successfully to find solutions for them. "For this zeal and application, the Commission deserves our gratitude and thanks. I cannot find words to express the feelings that we all have in our hearts. However, I hope the Commission, and especially its Chairman, Shri Vaikunthbhai Mehta, will accept our thanks as a sincere token of our earnestness to co-operate with them in the common task. This Conference has particularly been of great value to me and I hope it has been so with all the delegates who have come here."

### **Thanks**

Shri Vaikunth L. Mehta thanked the delegates, State Boards, State Governments and other Institutions and individuals for the co-operation and assistance they rendered in making the conference a success. He said :

"Our grateful thanks are due to the



President who allowed us all facility to put forth our points of view freely and fully. We are grateful to him for this considerate attitude. He also made valuable suggestions to enable us to come to proper decisions. Shri Bhaktavatsalam not only presided over the Conference and so ably guided its deliberations, he also attended the Committee meetings. I would also like to convey our gratitude to all the Ministers and delegates for the trouble they have taken in attending the conference. Shri Haribhau Upadhyaya and Shri Hukkerikar deserve our thanks for their excellent steering of the Committees over which they presided. The Governor of Bombay has been kind enough to offer his hospitality in putting up Ministers who have come to the Conference, in the Raj Bhavan.

I have before me a long list of persons and institutions, but for whose co-operation and goodwill this Conference might have had to face many difficulties. I shall not tire you with this list. I must, however, mention the following :

1. The Divisional Commissioner, Poona, for making the Council Hall available and Shri and Smt. G. L. Sheth, I.C.S. for the At Home they gave us.

2. The Collector of Poona for making available the Circuit House for accommodating delegates from State Boards.

3. The Executive Engineer, Poona Division for placing the Inspection Bungalow at

the disposal of the Khadi Commission for the occasion.

4. The Trustees of Morarji Gokuldas Dharmashala and Premji Jivan Dharmashala for making accomodation available to our delegates.

5. The Maharashtra Pradesh Congress Committee for making available the hall of the Congress House for Ambar and Match demonstrations which attracted large number of visitors.

6. The Maharashtra Seva Sangh for placing at our disposal their volunteers and for the arrangements in connection with the Ambar and Match demonstrations.

7. Central Railway for allowing us to set up an Enquiry Office at the Poona Railway Station.

8. The Principal, Cooperative Training College, for furniture and facilities for typing etc.

9. The Registrar of Cooperative Societies and the Director of Cottage Industries and Additional Registrar for Industrial Cooperatives, Poona, for assistance in connection with cyclostyling of notes, resolutions, etc.

10. The Bombay Village Industries Board, Poona, Divisional Committee, for furniture, volunteers, etc.

11. The Poona District Neera Cooperative Society for supplying water containers.

12. Shri Vinayakbuwa Patwardhan for singing "PRAYER" and "VANDE MATARAM"

## ANNEXURE I

The following are the Resolutions passed by the Conference of Representa-

tives of State Boards and State Governments held in Poona on 27-7-58.



**Item No. I of the Agenda : Difficulties in the working of the State Boards and suggestions for making their work more effective:—**

- i) Relationship between the Khadi and Village Industries Commission and Statutory State Boards;**
- ii) Composition of State Boards ;**
- iii) Decentralisation ;**
- iv) Schemes in the States ;**
- v) Funds for staff of State Boards.**

#### **Resolution**

- i) that the Khadi and Village Industries Commission should implement its development programmes through the Statutory State Boards and disburse funds to them for the purpose. In view, however, of the difficulties experienced by the Commission in this matter, on the one hand and in view of the continuing need to assist the registered institutions already in the field carrying on the work of Khadi and Village Industries on the other, the Commission may in exceptional cases continue for some-time to assist those institutions. However in cooperation with the State Boards, it should create such conditions in which those institutions can be brought within the jurisdiction of the respective Statutory State Boards. Towards this end the Conference recommends in the first instance that such institutions should send their reports regularly to the State Boards and that representatives of such institutions might be appoin-

ted as Members of the State Board; that where a given State Board is unable to implement the development programme for an Industry or to attain the given target of production undertaken by it or where the State Boards experience special difficulties in actual work, the balance of the unfulfilled quota of the production may be taken over by the Central Board (Commission) to attain the given target of production,

“that in future all schemes of Khadi and Village Industries prepared by the State Boards should ordinarily follow those drawn by the Central Board to ensure uniformity of approach and similarity of estimates of required funds. If the State Board has either new schemes or schemes which are slightly or substantially different from those of the Central Board, such schemes may be separately submitted for consideration of the Central Board”.

- ii) Regarding composition of the State Boards, the Conference decided that the Secretary of the State Board should normally be a non-official member and that an officer of the Government may be associated with the work of the board in an administrative capacity in place of a Joint Secretary mentioned in the resolution of the previous Conference. Such officer may be appointed by the State Board.
- iii) “This Conference reiterates the view expressed at the previous



Conferences that the work of Khadi and Village Industries should be decentralised. It is necessary particularly to promote the formation of co-operative societies of artisans. In doing so, the desirability of ensuring continuity of development should be kept in view. Where institutions meant for large areas actually work in a small area, the needs of areas not covered by the established institutions deserve especially to be considered. Both the State Boards and the established institutions should interest themselves actively in the organisation of co-operative societies to serve these areas. In respect of the determination of the areas every State Board will constitute a Committee consisting of one or more of its own members, the Zonal Director of the Khadi Commission, representatives of the institutions concerned and a nominee of the co-operative Department to examine the position."

- iv) The Conference decided that in respect of modified scheme where additional expenditure over the amount sanctioned by the Khadi and Village Industries Commission is involved, the State Board concerned shall approach the State Government to provide reasonable funds to meet the additional expenditure.
- v) The note pertaining to this subject was considered. The Conference took the following decision :

"That 4 per cent of the amounts allocated to the State Boards for implementation of the schemes by the Khadi and Village Industries Commission may be permitted to be utilised for expenditure on staff required for the organization and implementation of the schemes."

**Item No. 2 of the agenda : Modification in the acts constituting State Boards, so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission :-**

**Resolution**

"that the statutory State Boards where they have been constituted be requested to examine the provisions in the State enactments constituting them and to forward to the Khadi and Village Industries Commission proposals in regard to the nature of the amendments necessary in those enactments in order to give them similar powers as have been given to the Khadi and Village Industries Commission. On receipt of these proposals for amendment, the Khadi and Village Industries Commission may be requested to approach the State Governments concerned to have the amendments effected in their enactments constituting the State Boards and the State Governments may be requested to consult the Commission before introducing any amendments to the respective State Acts."

**Item No. 3 of the agenda : Jurisdiction of State Boards Consequent upon the Reorganisation of States.**



**Resolution**

- i) "THAT where more than one State Board functions in a State or where the Jurisdiction of a State Board has been affected consequent upon the transfer of territories under the reorganised States, the State Government may immediately initiate steps to have one Statutory State Board with jurisdiction over the whole State. For this purpose, Section 5 of the Inter State Corporations Act will have to be invoked to have the Act constituting the State Board included in the Schedule to that Act. Thereafter, the State Governments concerned may formulate schemes for the transfer of the assets, and liabilities and other matters with regard to areas which had been either added to or taken away and over which the State Board concerned had jurisdiction before the reorganisation of States and forward them to the Union Government for approval under Section 3 and 4 of the Inter-State Corporations Act. In particular the attention of the State Governments of Bombay, Rajasthan, Mysore, Andhra, Madhya Pradesh and Bihar is invited to take immediate steps on the lines stated above. THAT where State Governments have not initiated steps so far to form Statutory State Boards, the Khadi and Village Industries Commission may be requested to approach such Governments to take early steps in the matter."

- ii) "THAT the Khadi and Village Industries Commission be requested to examine the present situation in the Centrally administered areas and consider the feasibility of setting up at its Headquarters a department for taking up development of Khadi and Village Industries work in the Centrally administered areas."

**Item No 4. : Release Of Funds By The Commission To Boards And Further Release By State Boards To Institutions.**

- (a) **Time within which release should be made by the State Boards to institutions.**
- (b) **Question of charging interest on the loan given by the Commission to the State Boards.**
- (c) **Hypothecation deed for obtaining loans from the Commission or by the institutions from the State Boards.**

**Resolutions**

- "a) As far as possible, State Boards should disburse funds to their institutions within 30 days and in no case should they delay disbursements beyond 90 days. Where State Boards/State Governments did not disburse funds, within the prescribed period, interest should be charged on the balances with them from the first day of the fourth month.
- b) State Boards agree that interest at  $2\frac{1}{2}$  percent should be charged on all loans advanced to them by the



Commission on the terms and conditions explained in the notes read out at the meeting.

- c) The draft hypothecation deed prepared by the Commission should be accepted as it stood, subject to the right of the Commission to incorporate a clause enabling them to recover loans as arrears of public demand when the decision of the Union Government was made known to it.
- d) The conference unanimously recommend to the Commission to move State Governments to extend exemption from payment of Stamp Duty enjoyed by Cooperatives to the agreements concluded between State Boards and other parties,

**Item No. 5 of the agenda : Staff for the State Boards :**

**Resolution**

The Conference decided that the State Boards may be informed of the number of persons trained in the Vidyalayas and Mahavidyalayas and post-Basic Institution who are available for employment and that preference should be given to such candidates in the selection for appointment under the Boards. It is further decided that the Khadi and Village Industries Commission should establish a cell to assess manpower problems particularly keeping in view the requirements under the third Five Year Plan.

**Item No. 6 of the agenda : Special arrangements for work in**

**Community Development areas, Intensive Area Schemes, Gramdan Villages. Co-operative Federations and State-wise institutions particularly for Ambar Charkha Programme :**

The item comprised of the following different activities , viz.,

- a) Work in Community Development Areas ;
- b) Work in Gramdan Villages ;
- c) Co-operative Federations and State-wise institutions, particularly for the Ambar Charkha Programme ;

**Resolution**

- A. 1. "The Khadi and Village Industries Commission may release funds allotted to the States as a result of the joint discussions to the Statutory State Board which would in turn release funds for work in the Block Development areas through the Community Development Departments in the States.
- 2. Statutory State Boards shall co-ordinate activities in the Block Development Areas and of co-operative societies and Registered Institutions in the State.
- 3. Where it is the practice to include officials in the Statutory State Boards, the Development Commissioner should necessarily be a member of those Boards. Elsewhere he should be invited regularly to meetings of the Boards.
- 4. The extending activities for the development of village industries



and the Ambar Charkha Programme in Community Development Blocks of different States may call for suitable direction and coordination at various levels and for that purpose the Conference feels it will be desirable for the State Boards specially to assign this work to one of their senior members with necessary staff to follow up the fast extending work in Community Development Areas."

B. "THAT where difficulties as experienced by the Orissa State Board were experienced, the question may be referred to the Khadi and Village Industries Commission for advice and guidance.

C. THAT State Boards might consider allocation of a Specific percentage of total amounts in their budgets for expenditure in Gramdan villages as decided upon by the Kerala State Board.

D. "THAT it is agreed that federations of small institutions, either of co-operatives or of Registered institutions, may be formed".

**Item No. 7 : Content and periodicity of progress Report forms for compilation of the statistical data regarding progress of work done.**

#### **Resolution**

"The Conference considers that generally the present arrangements for collection of data involves considerable difficulties for field workers. It, there-

fore suggests that, to the extent possible pro forma prescribed for the purpose should distinguish between quantitative and qualitative progress and emphasise only quantitative details for progress reports. For qualitative purposes, the Conference suggest that special studies be carried out by the Directorate of Economic Research of the Commission. For the same purpose, it recommends that the State Boards should set up statistical cells so that complete studies can be conducted."

**Item No. 8 : Arrangements for Inspection, Auditing of Accounts and submission of utilisation certificates by the centres financially assisted by the State Boards, State Governments, out of the Commission's funds.**

#### **Resolution**

"After a careful examination of the notes on the subject, the representatives of State Boards present in the Conference agreed to furnish by August 31st, 1958, disbursement certificates in respect of grants and loans disbursed to them by the Commission upto 31st March, 1957 and utilisation certificates in respect of those amounts by 31st March, 1959 and recommended that the Commission should examine, in consultation with Audit, the form of certification that would be acceptable to it. The Conference further recommended that the availability of utilisation certificates should not be treated as a pre-requisite condition for the



grant of funds."

**Item No. 9 : To Consider How to meet loss Incurred, if Any, By, A State Board In Implementing Any of the Schemes of Khadi And Village Industries Directly.**

#### **Resolution**

- A) Where the State Boards/State Governments implement Commission's schemes directly, they must arrange to meet their losses as the risk in running them is exclusively theirs.
- b) Where State Boards/State Governments implement schemes, for which any assistance in the form of loans is given by the Commission, through Institutions or other approved agencies and incur losses in recovering loans obtained from the Commission, for that purpose, the losses would be met by the Commission and the Board in proportion of 9:1 respectively subject to the condition of the Commission bearing the losses upto 10 per cent of the maximum ceiling of the loans advanced. Any loss beyond that shall not be borne by the Commission.
- c) The Conference suggests to the Commission to move State Governments to make annual grants to their State Boards to enable them to build up assets of their own and to meet losses and other

expenditure."

**Item No. 10 : Evaluation of the working of the different Industries Programmes and or The Institutions Executing them.**

#### **Resolution**

"The Conference considers that the time is now ripe to evaluate the results of the different schemes under the 11 industries entrusted to the Commission. It, therefore, recommends that an internal committee consisting of the Members of the Khadi and Village Industries Board be constituted for the purpose, with the Directorate of the Economic Research of the Commission as its Secretariat and that the Commission should associate representatives of a State Board and institutions for the purpose of evaluating work in every State".

Besides the items on the Agenda, were the comments sent in by Orissa, Madras and Kerala States, which could not be considered by the Conference owing to want of time. The Conference, therefore, resolved:

"That these notes and the suggestions contained in them may be examined by the Khadi and Village Industries Commission and discussed with representatives of the State Boards at a meeting of the Khadi and Village Industries Board".



## Annexure II

## Names Of The Representatives Present In the Conference

Council Hall

Poona

25th July 1958

S.No.	Name of the Representative	Designation	Institution represented
1.	Shri R. V. Rao	Joint Director, Member Hyderabad State Khadi.	Hyderabad State Khadi.
2.	Shri N. M. Dasappa	Secretary, H. W. I. C. S.	Hyderabad
3.	Shri C. Pathak	Asstt. Secretary	Khadi & V. I. Board, Shillong, Assam.
4.	Shri S. M. Rahman	Secretary Khadi & V. I. Board	-do-
5.	Shri J. P. Shrivastava	Chief Executive Officer	Bihar State Khadi & V. I. Board
6.	Shri S. Prasad	Dy. Director of Industries, Bihar.	Govt of Bihar, Industries Dept.
7.	Shri Brij Bahari Prasad, M. L. C.	Member Secretary	Bihar State Khadi & V. I. Board, Patna
8.	Shri Dindayal Gupta	Chairman V. I. Board.,	Bombay State Khadi & V. I. Board
9.	Shri S. S. Rajagopalan	Secretary	Bombay V. I. Board
10.	Shri R. B. Kulkarni	Khadi Organiser	Bombay V. I. Board
11.	Shri P. S. Nadkarni	Dy. Director of Cottage Inds. Bombay State Poona.	Bombay State Govt.
12.	Shri S. G. Shende	Member, Bombay V. I. Board.	Bombay V. I. Board & Satyaniketan Ashram, Rajur. Bombay V. I. Board
13.	Shri Savitri Madan	Member Secretary, Bombay V. I. Board, Poona District.	Bombay V. I. Board



S. No.	Name of the Representative	Designation	Institution represented
14.	Shri Ratubhai Adani	Minister for Prohibition, Cottage Inds. Government of Bombay.	
15.	Shri Swami Ramanand Tirth	M. P. Member Advisory Board, Marathawada.	
16.	Shri Jamnadas G. Shah, I. A.S.	Director of Cottage Inds., Govt. of Bombay.	
17.	Shri Vital Shankar Rao	Chairman, Poona Division V. I. Board	Bombay State
18.	Shrimati Krishna Mehta	M. P. (Kashmir)	
19.	Shri Ekkanda Warrior	Member, Kerala State Board.	
20.	Shri Balakrishna Marar	Secretary, Kerala Khadi & V.I. Association, Trichur.	Kerala Khadi & V. I. Association, Trichur.
21.	Shri K. Sreedhara Menon	Secretary, Kerala Khadi & V. I. Board, Trivandrum.	Kerala Khadi & V. I. Board.
22.	Shri S. Ramasubramanian	Dy. Zonal Director	Trichur, Kerala
23.	Shri Madanlal Agarwal	Member Secretary	M. B. Khadi & V. I. Board.
24.	Shri L. N. Parmar	Asst. Administrative Officer	M. B. Khadi & V.I. Board.
25.	Shri G. Venkatachalapathy	Secretary	Madras Khadi & V. I. Board.
26.	Shri T. K. Palaniappan	Director of Inds. & Ex-Officio Addl. Secy. to the Government.	Madras
27.	Shri S. Swaminathan	Dy. Director of Khadi, Madras.	Madras Govt. Khadi Department



S.No.	Name of the Representative	Designation	Institution represented
28.	Shri V. Ramachandran	Secretary Tamilnad Sarvodaya Sangh, Tirupur.	Tamilnad Sarvoda- ya Sangh, formerly the Akhil Bharat Sarva Seva Sangh in Tamilnad.
29.	Shrimati Leelavati Magadi	Dy. Minister, Rural Inds., Govt. of Mysore	
30.	Shri V. T. Magadi	Chairman, Dharwar Dist. Khadi Gramodyog Sangh, Hubli.	
31.	Shri Shrirang V. Kamat	Secretary, Belgaum Dist. Khadi Gramodyog Sangh, Gurlhosur.	
32.	Shri S. M. Jogi		Wool Industry, Mysore.
33.	Shri K. A. Venkatramaiya	Secretary	Mysore State Khadi & V. I. Board.
34.	Shri C. V. Hallikeri	Chairman	-do-
35.	Shri V. Sitaramayya	President Khadi & V. I. Board	Orissa
36.	Dr. Gopichand Bhargava	Minister for Cottage Inds, Govt of Punjab.	
37.	Shri Hariran Chopra	Secretary, P. K. G. S. Adampur-Doaba	Punjab
38.	Shri Prathvichandra Nayar	Secretary Punjab Khadi & V.I. Board Punjab.	Khadi & V. I. Board, Chandi- garh.
39.	Shri Chiranjilal Sharma	Dy. Director of Cottage Inds.	Rajasthan State Board.
40.	Shri Haribhau Upadhyaya	Minister for Inds. & Chairman State Board.	State Khadi Board.



S.No.	Name of the Representative	Designation	Institution represented
41.	Shri Rameshwar Agarwal		Rajasthan Khadi Sanstha Sangh.
42.	Shri Rameshchandra	Secretary	Kharital Sarvodaya Sangh (Shahapura) Rajasthan.
43.	Nripendra Bose	Secretary Khadi Dept., Abhoy Ashram, W. Bengal	Abhoy Ashram W. Bengal.
44.	Shri A. K. Banarjee	Dy. Secretary, Cottage & Small Scale Inds. Govt. of West Bengal.	Government of West Bengal.
45.	Shri C. Roy	Dy. Minister, Govt. of West Bengal, Co-op. Cottage & S. S. Inds,	
46.	Shri Panchanan Basu	Secretary, West Bengal Khadi & V.I. Board.	
47.	Shri Apanesh Bhattacharyya	Jt. Secretary	Paschim Bengal Khadi Kendra, Calcutta, West Bengal.
48.	Shri S. Balraj	C. P. C. Industries	Delhi
49.	Shri Yudhvir Singh	Chairman, Industrial Board,	Delhi
50.	Shri S. N. Gupta	Chairman	Tripura
51.	Shri N. K. Mozumdar	Secretary	
52.	Shri U TOE SHWE	Asst. Registrar Co-op. Dept. Burma, Rangoon (I. L. O. Fellowship)	Burma
53.	Shrimati P. Johari	Dy. Secretary, Govt. of India, Ministry, of Commerce & Industry,	



## Commissions Representatives

## Names Of The Representatives Present In The Conference

S.No.	Name of the Representative	Designation	Institution represented
1.	Shri Shriman Narayan	Member, Planning Commission and Member, Khadi Commission.	
2.	Shri R. S. Hukkerikar	Zonal Officer, Dharwar.	
3.	Shri Satis Chandra Das Gupta	Member-in-Charge, Cottage Match Industries.	
4.	Shri Jhaverbhai Patel	Member-in-Charge, Intensive Area Scheme Khadi & V.I Commission.	
5.	Shri Raojibhai N. Patel	Member of the Khadi & V. I. Board.	
6.	Shri S. R. Nagappa Shetty	Member of Khadi & V. I. Board.	
7.	Shri Rajaram Sharma	Zonal Director, Meerut, U. P.	
8.	Shri Bhimsenji	Zonal Director, Ambala Cantt.	
9.	Shri A. C. Mukherjee	Zonal Director, Calcutta.	
10.	Shri P. V. Raghavan	Zonal Director, Kakinada.	
11.	Shri M. S. Narayan Rao	Zonal Director of Tirupur.	
12.	R. M. Ranade	Dy. Zonal Director, Ujjain.	
13.	Shri A. Chakravarti	Dy. Zonal Director, Patna.	
14.	Shri K. Vidyanathan	Director, Swavalamban, Khadi & V. I. Commission, Bombay.	
15.	Shri Dhirubhai Desai	Director of Training, Khadi & V. I. Commission, Bombay,	



S.No.	Name of the Representative	Designation	Institution represented
16.	Shri G. R. Valunjkar	Director-in-Charge, Leather	Khadi & V.I. Commission
17.	Shri B. K. Patel	Dy. Organiser, Handpounding of Paddy, Khadi Com- mission,	-do-
18.	Shri P. V. Shrikanta Rao	Organiser, Non-edible Oil & Soap Industry.	-do-
19.	Shri T. B. Bhatt	Organiser, Handmade Paper Industry	-do-
20.	Shri S. K. Kallapur	Organiser, Bee-keeping Fibre, Carpentry, Blacksmithy	-do-
21.	Shri S. S. Singh	Organiser, Village Oil Industry,	-do-
22.	Shri K. R. Subbaraman	Organiser, Village Pottery, Bombay.	-do-
23.	Shri T. V. Srirangachar	Organiser, Cottage Match Khadi & V.I. Commission, Bombay.	-do-
24.	Shri C. V. Subbarao	Director. Gur & Khand- sari Central Co-ordina- tion Office, Kanpur.	-do-
25.	Shri Jaipal Mehta	Dy. Director, Khadi & V. I. Commission	Bombay
26.	Shri S. R. Mukherji	Chief Accts. Officer & Director of Inspection Khadi & V.I. Commission	-do-
27.	Shri N. T. Dabade	Dy. Zonal Director	Dharwar
28.	Shri S. Ramasubramaiaam	Dy. Zonal Director	Trichur Kerala
29.	Shri P. V. Kanethar	Dy. Zonal Director	Khadi & V. I. Commission Srinagar, Kashmir.



## PART-II

**THIS PART CONTAINS THE NOTES ON  
THE ITEMS OF THE AGENDA.**

### THE AGENDA.

**Agenda of the Conference of the representatives of the Statutory State Boards etc. held at Poona during the period from the 25th to 27th July, 1953**

1. Difficulties in the working of the State Boards and suggestions for making their work more effective.
2. Modifications in Acts constituting State Boards so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission.
3. Jurisdiction of State Boards consequent upon the Reorganisation of States.
4. Release of funds by Commission to State Boards and further release by State Boards to institutions ;
  - (a) Time within which release should be made by State Boards to institutions
  - (b) Question of charging interest on the loan given by the Commission to the State Boards.
  - (c) Hypothecation deed for obtaining loans from the Commission or by the institutions from State Boards.
5. **Staff for the State Boards**
  - (a) Nature and strength of staff to be provided.
  - (b) Preference to be given in selection of staff to persons trained in Khadi Gramodyog Vidyalayas and Mahavidyalayas.
6. Special arrangements for work in Community Development Areas, Intensive Area Schemes, Gramdan Villages. Co-operative Federations and State-wise institutions particularly for Ambar Charkha Programme,
7. Contents and periodicity of progress Reports-Forms for compilation of the statistical data regarding progress of work done.
8. Arrangements for inspection and auditing of the accounts and submission of utilisation certificates by the centres financially assisted by the State Boards, State Governments out of the Commission's Funds.
9. To consider how to meet loss incurred, if any, by a State Board in implementing any of the schemes of Khadi and village industries direct.
10. Evaluation of the working of the different industries programmes and/or the institutions executing them.



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## APPENDIX I

### MEMBER SECRETARY'S REPORT

In its First Five Year Plan Report, the Planning Commission devoted a whole chapter to Village Industries and problems connected with their development. In paragraphs 7 and 8 of this chapter the Commission stated.

"The development of village industries requires drive and direction from the Central and State Governments. The primary responsibility for carrying out programmes for village industries rests with State Governments, but in many aspects the framework within which they can execute programmes for individual village industries is set by the policies followed by the Central Government. In the Central Government, there is, therefore, need for an organisation which will give close attention to the problems of village industries and help to create favourable conditions for action by State Governments, constructive organisations and village co-operatives. In view of the growing importance of the problem of employment, the Central Government must now give the same attention to village and small scale industries as it has undertaken in view of the shortage of food and raw materials, to give to agriculture.

The Central Government is shortly constituting a Khadi and Village

Industries Development Board for executing programmes of Khadi and village industries... The Board is intended to be an organisation outside the departmental machinery of the Government and is to be composed of experienced workers in the field of Khadi and village industries and a few representatives of the Central Government.... The Board would be in executive charge of village industries schemes. New schemes for village industries for which assistance may be needed from the Central Government would also be considered by the Board "

The Commission further opined that "in the States also there is need for similar organisations working in collaboration with the Central organisation "

In pursuance of this recommendation of the Planning Commission the Government of India constituted the All India Khadi and Village Industries Board by a resolution dated 14th January, 1953. This resolution defined the constitution and functions of the Board in the following terms:

- I. "The Board will appoint Vice-Chairmen, not more than two in number, and Joint Secretaries, not



more than two in number, and define their powers.

2. Additional members will be appointed as and when necessary in consultation with the Board.
3. Representatives of the Ministries of Finance Commerce and Industry Rehabilitation and of the planning Commission will attend meetings of the Board and participate in its proceedings on behalf of Government.
4. The Board will work in close co-operation with the State Governments and the All-India Spinners' Association.
5. The headquarters of the Board shall be Bombay.
6. The Board will be responsible for preparing and organising programmes for the production and development of Khadi and Village Industries, including training of personnel, manufacture and supply of equipment, supplying of raw materials, marketing and research and study of the economic problems of different village industries. The Board will also function as a clearing house of information and experience relating to these industries.
7. The Government of India proposes to create a Khadi Fund from which grants or loans will be made for financing, in whole or in part, activities necessary for the development and improvement of the Khadi Industries.

8. The Government of India also proposes to make available separate funds for the development and improvement of the Village Industries."

The Board started functioning from 3rd February, 1953 immediately addressed itself to the task of setting up an organisation both at the centre and in the field, on the one hand, and framing schemes for Khadi and Village Industries, on the other. Side by side, the Board took up with the State Governments the question of setting up State Khadi and Village Industries Boards as its counter-parts. These State Boards, it was felt, should be composed mainly of constructive workers and should be empowered to execute programmes formulated by the All India Board. In response to the approach made by the Board, State Khadi and Village Industries Boards were set up in the following States:

<u>Part 'A'</u>	<u>Part 'B'</u>	<u>Part 'C'</u>
Andhra	Hyderabad	Ajmer
Assam	Madhya Bharat	Bhopal
Bihar	Mysore	Kutch
Bombay*	Rajasthan	Tripura
Madhya Pradesh	Saurashtra	Vindhya Pradesh
Madras		
Orissa		
Uttar Pradesh		
West Bengal		

\* In Bombay the State Government had already set up the "Bombay Village Industries Committee." Though not a statutory body, the State Government placed funds at its disposal for implementation of approved schemes. The Bombay Committee had executive functions which it carried out by arrangement with the Government of Bombay.



The idea behind the constitution of these State Boards was to provide at the State level an agency with similar functions as the All India Khadi and Village Industries Board for executing schemes for the development of Khadi and Village Industries in the State. The All India Board hoped that the State Boards would be effective coordinating agencies between the State Governments and non-official institutions in the field. In actual practice, however it was found that both the All India and State Boards had little or limited executive powers and that they were very much governed by departmental procedures. While, therefore, the All India Board had to face considerable delays and other handicaps in getting schemes sanctioned, getting funds in time to finance them and in disbursing the funds speedily, on the one hand, the State Boards, on the other, could not function as channelising agencies as funds could not be placed with them since they were not considered to be legal entities. This was, obviously an unsatisfactory state of affairs. The need was also felt that the State Boards and the All India Board should develop closer ties and together find a solution to the problems which were common to them and work out methods to ensure uniformity of approach to achieve their common objectives. A conference of representatives of State Boards which had already been formed of State Governments and prominent constructive workers was convened in November, 1954 at Poona. This Conference considered the important question of the relations that should subsist between the All India Board and the State Boards and the question of their composition and powers.

As a result of the discussions, the following decisions were taken :

1. "State Boards, to be effective, should be vested with statutory powers,
2. Number of members should not ordinarily exceed 15,
3. Majority of the Board should normally be non-officials.
4. The Secretary of the Board should normally be a non-official. The State Government might nominate an official as Joint Secretary if it thought fit.
5. All members would be nominated by the State Government.
6. Both officials and non-officials should be those having faith in the promotion of Khadi and Village Industries."

It was also the opinion of the Conference that investing the Central Board with statutory authority might facilitate the conversion of the State Boards into statutory bodies. The other decisions were :

### Functions

1. (a) It is the duty of the State Boards to adhere to the policy laid down by the Central Board.

(b) When there is a difference of opinion between the Central Board and the State Boards on a matter of policy, the matter will be ironed out through mutual consultations and discussions. Till the matter is finally decided through such consultations, the opinion of the Central Board will prevail.

(c) When there is a difference of opinion on matters of policy between the



Central Board and the State Government, the State Board will follow the policy of the Central Board.

### **The Policy**

2. (a) If a State Board proposed to take in a new village industry which has not been included in the schedule of the Central Board, the State Board will begin implementation of the Programme in respect of such new industry only with the approval of the Central Board to ensure that this new industry does not conflict with the general Policy. Regarding the funds required for the implementation of programmes in respect of this new industry, it will not be possible for the Central Board to grant the necessary funds.

(b) In such cases, the State Boards may have to approach the State Governments or if they send the schemes to the Central Board, the Central Board may request the Government of India to consider the scheme and allot special funds to the State Boards for this purpose.

(c) When the State Boards are invested with statutory authority the disbursement of funds by the Central Board will not be delayed, since the disbursements will be directly to the Statutory Boards. The grants, loans and subsidies will also be disbursed to the institutions within the State by the State Boards out of the funds that the Central Board may give.

(d) All the same, the Central Board may also disburse such funds directly to institutions within the State if and when necessary.

(e) The Central Board may also start

centres of its own in the States.

(f) As regards training and research activities, it will be the duty of the Central Boards in general to conduct such activities but the State Boards will also co-operate with the Central Board by giving necessary help for the fulfilment of such purposes.

### **Accounts**

3 (a) The accounts of the State Boards will be kept normally as instructed by the Accountant General of the States.

(b) The State Board will furnish the Central Board regular reports and returns in the form prescribed or that may be prescribed together with the names of the institutions to which the State Board may have disbursed funds out of the funds placed at their disposal by the Central Board.

(c) Copies of schemes and sanctions received from the Central Government will be communicated by the Central Board to all the State Boards for their information. The State Boards are expected to follow these schemes generally in their States.

(d) The State Boards, when they become Statutory, will have their own staff paid and controlled by themselves. If, any staff has to be appointed by the Central Board for the purpose of working out any scheme within the State, it may also be placed at the disposal of the State Board and if so, such staff will work under the directions of the State Boards.

(e) But all such staff appointed for the purpose of supervision or for giving technical advice will be controlled and paid by the



Central Board."

Following the decisions of this Conference, several State Governments gave serious thought to investing their State Khadi and Village Industries Boards with statutory authority. Thus Statutory Boards came into existence in the States of Bombay, Saurashtra, Rajasthan, Assam, Hyderabad, Madhya Bharat, Ajmer, Orissa and Punjab and financial assistance was given by the All India Khadi and Village Industries Board to them. When the Khadi and Village Industries Commission took over the executive functions from the former All India Board in April, 1957, it continued this practice. Where the State Boards have been only advisory bodies, the former normal practice was that advice and co-operation were sought in the formulation of programmes for those States. Finances could not be sanctioned to them as they were not considered legal entities. In some Statutory State Boards, the State Governments have provided administrative and other staff to enable them to undertake organising programmes and executing them. The membership of these Boards has always not been strictly in conformity with the recommendations of the 1954 Conference.

These and other matters were again discussed at a Conference of Representatives of State Boards, and State Governments, which was convened by the All India Khadi and Village Industries Board in August 1955. This Conference took the following decisions :

1. "That to be effective, separate Statutory Boards should be constituted in each State for Khadi and Village Industries.

2. That their composition should be as follows :

- (i) number of members should not ordinarily exceed 15 ;
- (ii) majority of the members should be non-officials ;
- (iii) the Secretary of the Board should normally be a non-official; but the State Government might nominate an official as joint Secretary, if it thought fit to do so ;
- (iv) all members would be nominated by the State Government ;
- (v) both officials and non-officials should be those having faith in the promotion of Khadi and Village Industries.

3. That of the two types of staff engaged at present in the work of Khadi and Village Industries, viz., field staff and supervisory staff, steps should be taken for the transfer of the field staff in the State area to the control of the State Board concerned, provided the staff is engaged for the purpose of carrying out the programme of the Central Board. The inspecting or consultative or technical staff appointed on a regional or zonal basis may continue to function under the Central Board and serve as the co-ordinating agency between the activities of the State and Central Boards. This will be exclusive of the technical or supervisory staff appointed by the State Boards or Governments themselves out of the funds provided by the Central Board or by the State Governments, either partially or wholly.



4. That the All India Khadi and Village Industries Board should implement its development programmes through the State Statutory Boards and disburse funds to them for the purpose. In view, however, of the difficulties experienced by the Central Board in this matter on the one hand, and in the view of continuing need to assist the registered institutions already in the field carrying on the work of Khadi and village industries, on the other the Central Board might, in exceptional cases, continue for some time to assist those institutions. However, in co-operation with the State Boards it should create such conditions in which those institutions can be gradually brought within the jurisdiction of the respective Statutory State Boards. Towards this end, the Conference decided; in the first instance, that such institutions should send their reports regular to the State Boards and that representatives of such institutions might be appointed as members of the State Boards.

5. That where a given State Board is unable to implement the development programme for an industry or to attain a given target of production undertaken by it or where the State Board experiences special difficulties in actual work, balance of the unfulfilled quota of production may be taken over by the Central Board and appropriate arrangements may be made by the Central Board to attain the given target of production.

6. That in future all Schemes for Khadi and village industries prepared by the State Boards should ordinarily follow those drawn up by the Central Board to ensure

uniformity of approach and similarity of estimate of required funds. If a State Board has either new schemes which are slightly or substantially different from those of the Central Board, such schemes may be separately submitted for consideration of the Central Board.

7. That, to satisfy the requirements of the Central Government, State Boards should observe greater regularity in the submission of progress reports, setting out in detail the distribution of funds between institutions, methods of utilisation of distributed funds, production attained and the volume of employment provided, period by period, so that apart from providing requisite information to Government, approval of the schemes of development and the necessary sanctions of requisite funds for the purpose may be facilitated.

8. (a) That where there are State Advisory Boards, the Central Board should ordinarily allot funds to registered institutions recommended by those Boards or forward the schemes to the Central Government for necessary sanction.

(b) To ensure timely allotment of funds by the Central Boards to the State Boards concerned, the Committee recommended that the State Boards should submit in time quarterly reports of the progress of expenditure to facilitate further sanctions of additional funds.

(c) To ensure closer coordination



between the Central and State Boards, the latter may invite the Zonal Directors of the Central Board of their respective areas to attend and participate in their meetings.

9. That in view of the larger development schemes envisaged by the Central Board, the State Boards and institutions should extend the fullest cooperation to the officers of the Central Board and the Central Government to facilitate inspection and audit of accounts.

10. That as the success of the various schemes of development prepared by the Central Board during the Second Plan period depends largely on effective coordination between various agencies in the field, and as the Community Development Projects are expected to be extended to cover the entire country, it is desirable to establish close coordination between the State Boards and the Community Project Areas.

That the Community Development Project Administrations should take the help and advice of the respective State Boards in starting Khadi or village industries and the State Boards should in their turn accord their fullest co-operation and assistance to facilitate the establishment of appropriate institutions for the conduct of Khadi and village industries work.

That as the State Boards are the accredited agents of the Central Board in the respective State, schemes of development for Khadi and village industries to be executed by registered or co-operative institutions or development blocks of the C.P.A., within the administrative jurisdiction of the States, should normally be prepared in consultation with the State Boards, as the

Central Board ordinarily provides the funds required for the implementation of such schemes through the State Boards: where, however, there is difficulty in either the preparation of such mutually agreed schemes of development or in the implementation of such schemes, the Central Board may, as in the case of recognised institutions and subject to the same conditions, undertake the responsibility for making appropriate arrangements for their implementation."

Here, it is necessary to mention the peculiar situation in Madras State. In that State, the Government has constituted a Department of Khadi and has established a Directorate to implement Khadi programmes. There is also an Advisory Board. In so far as the Khadi programmes are concerned, the All India Khadi and Village Industries Board treated the Department of Khadi on a par with major registered institutions and funds were made available to it in the same manner as they were made available to the institutions.

Since this Conference met, the Government of India have reorganised the States. This has created certain problems affecting the State Boards, Statutory or otherwise. Thus, for example, in the reorganised State of Bombay, we have the Bombay Village Industries Board, and the Saurashtra Khadi and Village Industries Board, both of which were Statutory bodies before the reorganisation. For the integrated State of Bombay, there is as yet no single Board. Similarly in the reorganised Andhra Pradesh, there are two Boards. One known as the "Hyderabad State Khadi and Village Industries Board" was a Statutory Board constituted by the former Hyderabad State, while the



other is an-Advisory Board set up by the former Government of Andhra Pradesh. The Government of the reorganised Andhra State is understood to be taking steps to bring Khadi and village industries activities under one Statutory State Board. A Bill for the purpose is expected to be introduced in the Legislative Assembly during its next session. For the reorganised Mysore State, a Statutory Board has already been constituted. But it cannot function in the districts which were not part of the original Mysore State. In the reorganised Madhya Pradesh the position is somewhat similar to that of Bombay. There also there are three Boards, namely, Madhya Bharat Khadi and Village industries Board which was constituted as a Statutory body by the former Madhya Bharat Government, Madhya Pradesh and Vindhya Pradesh Boards which are advisory. The new State Government is understood to have moved the Government of India for the inclusion of Madhya Pradesh Khadi and Village Industries Act, 1957, in the Schedule to the Inter-State Corporation Act, 1957. It is not known how the matter stands at present. In Bengal I understand, a Bill to set up a Statutory Board is before the Assembly and might have been passed by the time we disperse from here. In Bihar, the State Advisory Board has now been vested with Statutory authority. In U. P. there has been no change. An Advisory Board continues to function. The recognised Kerala State has established a Statutory State Board in Orissa the Statutory Board continues to function. The former Part 'C' States of Delhi, Himachal Pradesh, Tripura and Manipur have now been taken over by the Union Govern-

ment and are administered directly by it. The Boards constituted by these Governments before the reorganisation of States, continue to function as *ad-hoc* Committees which advise the local Administration in these Areas.

The position now is that the following State have Statutory State Boards with jurisdiction over the whole State or only parts of it :

- (1) Assam
- (2) Bihar
- (3) Bombay
- (4) Kerala
- (5) Mysore
- (6) Orissa
- (7) Punjab
- (8) Rajsthan

Since the last Conference, the two houses of the Indian Parliament have passed the Khadi and Village Industries Commission Bill and the Government of India has by an enactment constituted the Khadi and Village Industries Commission. The Act provides for the Khadi and Village Industries Board to function as an Advisory Body to the Commission. The functions of the Commission have been laid down in the Act of Parliament. These functions are :

**"Clause 15 (1) :** The functions of the Commission shall generally be to plan, organise and implement programmes for the development of Khadi and Village Industries.

(2) In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit.

- (a) to plan and organise the training of persons engaged in the production of Khadi or in village industries:



- (b) to build up a reserve of raw materials and implements and to supply them to persons engaged in the production of Khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission;
- (c) to provide for the sale and marketing of Khadi or of products of village industries;
- (d) to encourage and promote research in the technique of production of Khadi or in the development of village industries, or to provide facilities for a study of the problems relating to Khadi or village industries;
- (e) to maintain or assist in the maintenance of institutions for the development of Khadi or village industries;
- (f) to undertake, assist or encourage the production of Khadi or the development of village industries;
- (g) to promote and encourage co-operative efforts among manufacturers of Khadi and persons engaged in village industries;
- (h) for insuring the genuineness of and for granting certificates to producers of; or dealers in Khadi or the products of any village industry.
- (i) to carry out any other matter which may be prescribed.

In the discharge of its functions under this Act the Commission shall be bound by such directions as the Central Government may give to it."

It is the desire of the Commission to channelise its financial assistance for implementation of its approved schemes through the Statutory State Boards and make them responsible for their imple-

mentation in the States. As has already been pointed out a large number of States have set up Statutory State Boards. The original purpose of setting up the State Statutory Boards was to enable the Central Board to share its responsibilities with them. But for various reasons this has been possible only to a limited extent since all boards have not found it possible to establish by now close contact with the primary agencies implementing the programme.

Another reason which limited the capacity of the State Boards, is that State Governments have not been able to make allotments to the State Boards for adequate administrative and other staff. The Commission's decision on this point is that assistance to be paid to each Board in the form of grant-in-aid should be determined in the beginning of the year and should be for the staff for the following items of works :

- (i) Inspection,
- (ii) Audit,
- (iii) Accounting,
- (iv) Collection of statistical data,
- (v) Preparation of progress reports,
- (vi) Framing of rules, regulations, procedures etc.,
- (vii) Expert or Organiser for each industry worked in the State; where necessary, grant should also be given for Assistants to experts or Organisers.

(a) In case of States where the work is on a limited scale or work has just been inaugurated a minimum staff is to be given irrespective of the percentage limit.

(b) The staff in respect of which financial



assistance would be given should possess the qualifications prescribed by the commission.

- (c) The total financial provision involved in the revised pattern should not exceed the one already approved by the Government.

The Commission is convinced that State Boards should have qualified administrative personnel to ensure that accounts are properly maintained, audit objections are promptly attended to and corrective measures are adopted for preventing recurrence of irregularities. The State Boards should have their own manuals of procedures or adopt manuals used by similar bodies or by their Governments. They should also ensure that the funds disbursed by them to the institutions are properly utilised and annual and quarterly progress reports regarding the utilisation of funds and the implementation of schemes are furnished to the Khadi and Village Industries Commission promptly and regularly. Besides these, the Boards should also observe legal formalities such as the execution of agreements, etc. in regard to loans given by them to registered institutions. The Commission has decided to provide financial assistance to supplement the resources of the State Boards derived from State Governments.

There is another point which needs to be emphasised. As far as possible, the Boards should endeavour to carry out the programmes for the development of Khadi (particularly Ambar) and village industries by encouraging the growth of co-operative societies. At present the major part of the Commission's work in the States is carried out through institutions registered under the Societies Registration Act of 1860. As

statutory provisions for accounts keeping, auditing, regular meetings and elections exist only in the Co-operative Act, these societies are to be preferred.

Before concluding this report, I would appeal to such of the States as have not yet set up Statutory State Boards to do so. This seems imperative because the Commission's assistance to these States involves inordinate delays. In the case of loans the State Governments have to obtain prior approval of the Central Government before raising loans. The observance of this statutory obligation leads to delay. In order to avoid this and to ensure uniformity in the organisational pattern, it will be desirable if the States where there are no Statutory Boards initiate immediate steps to set up such Boards.

For the information of this Conference. I may add in conclusion, that this year in the allocation of funds and programmes both for Khadi including Ambar and for Village Industries, the Commission invited the co-operation of State Boards and of State Governments where Statutory State Boards had not been constituted. Development Commissioners and representatives from the Administrations of the centrally administered areas. I am happy to report that the response from them was both ready and ample. Joint consultations took place between January 30 and February 19, 1958. As a result, programmes involving a total financial outlay of Rs. 10,65,03,790 were finalised. Details are given in the notes of these discussions published by the Commission and supplied to all concerned.

**Pranlal S. Kapadia**  
Bombay, July 19, 1958. (Member Secretary)



## APPENDIX 2

### Notes on Item I of the Agenda : Difficulties in the working of the State Boards and suggestions for making their work more effective :

When the All India Khadi and Village Industries Board was constituted, the Government of India had desired, through its notification, that the All India Board would function in close co-operation with the State Boards to be constituted in the different States. Keeping this in view, the Chairman and the Members of the Central Board visited every State and discussed with the Minister concerned the question of formation of State Boards, and the steps to establish co-ordination between the Central and the State bodies were devised.

When the State Khadi and Village Industries Boards were constituted in various States, it was found that the principles and the spirit behind the formation of State Boards were not strictly adhered to. It was expected that the State Boards would be constituted of such members who followed the Gandhian principles regarding Khadi and village industries. No mention of this, of course, could be made in the notification issued by the Government of India. Though the State Governments had been, during our discussions, apprised of this guiding principle in the constitution of the State Boards, other considerations seemed to have weighed with them, while selecting the members of the State Boards.

Though the All India Khadi and Village Industries Board had suggested that a non-official should be chosen as the Secretary of the State Boards, this stipulation was not always adhered to by the States. In spite of these shortcomings, the All India Khadi and Village Industries Board did its best in implementing its programme by establishing co-ordination with the State Boards.

In the working of the Central Board and the State Boards another lacuna came to light. Though the All India Board was an advisory body, it had scope and opportunity for implementing its schemes and programmes; this was not the case with the State Boards which were advisory bodies. It was, therefore, suggested by the All India Khadi and Village Industries Board that the State Boards should be invested with statutory powers. Some States, therefore, constituted their Statutory Boards in accordance with the proposal. When they had begun to function, the reorganisation of States came. In many cases the new set-up created new problems. The merged areas are not covered and governed by the Boards of the States to which they have been added as a result of reorganisation. It has been found by experience that such State Boards could not function effectively. It is, therefore, necessary that the State Boards should be



reconstituted very early in the reorganised States. If this is done, the difficulties now experienced in implementing programmes through the State Boards could be removed.

The Khadi and Village Industries Commission would request the State Governments to have only those persons as members of the reconstituted State Boards as have full faith in Khadi and village industries as a national programme. It is expected that the Secretary of the State Board would be selected from among those who have experience of Khadi work and have devoted a number of years to the cause of Khadi and Village industries. It has been our experience in working the schemes of the Commission that those persons who were not acquainted with the field of Khadi and village crafts, had not proved a success in implementing the schemes. It is, therefore, necessary that the Secretary of the State Board should be fully conversant with the problems facing the development programme of Khadi and village industries. These industries have a tradition of more than 30 years, and it is expected that State Boards would follow it in implementing schemes.

It is desirable that the problems which crop up in implementing the schemes through co-operative societies should be thoroughly appreciated. They pertain to registration, capital and borrowing capacity. The experience of the past four years has shown that a number of months passed before a co-operative society was registered. The problem of securing the necessary capital faced it even after registration. It is a matter which deserves serious consideration

and is causing concern. Though the principle of implementing the schemes through the co-operative societies is a sound one, the problem which has to be tackled is that the applications of the co-operative societies for registration should be dealt with promptly and their borrowing limits determined as early as possible by the Registrar of Co-operative Societies. Capital is needed in advance for starting the work of the co-operative societies even if the sanction is obtained without delay. This is another problem facing the co-operative societies. They have to solve yet another problem, namely, that of exceeding the stipulated borrowing limit. The only way which can be recommended is that the societies should raise their own share capital. It is the duty of the State Khadi and Village Industries Boards to help them in this direction. The workers and members of the State Boards should assist the newly formed co-operative societies in raising the share capital. It has been realised that the continuation of the procedure of implementing the programmes of Khadi and village industries through the institutions registered under the Registration of Societies Act would not be possible.

The State Khadi Boards seem to have adopted a procedure of dividing the funds sanctioned by the Commission equally among the divisions or districts for the schemes pertaining to Khadi and village industries. It, therefore, results sometimes in unfair distribution for the various programmes. Many schemes which have more possibilities of development, fall short of funds; whereas the funds get blocked in programmes holding out less possibilities. Therefore, the State Boards should not allocate funds



on the basis of a region or a district. The criterion for the disbursement of funds should be the potentialities of the scheme chalked out for a particular area. The necessary funds should be allocated, keeping in view the favourable conditions for the success of the programme. Some conditions may also be imposed with the allocation of funds.

The State Boards implement the schemes and programmes formulated by the Khadi and Village Industries Commission keeping in view an over-all picture of the country. Therefore, some suitable modifications or adjustments may be necessary in these schemes according to the prevailing conditions in the States. Better results can be ensured by such modified programmes. The experience of the last four years has also shown that when the schemes and programmes prepared by the central organisation were implemented, the results were not upto the mark. Therefore, the State Boards should not implement the schemes of the Commission as they are. They should effect suitable adjustments to suit local conditions. The Boards should get necessary sanctions for additional funds for the modified programmes from the State Government and thus make provision for modified programmes. Sanctions at the rate of at least Rs. 25,000 per district should be obtained by the State Boards from State Governments.

There is a misconception that everything is achieved by forming a registered institution or a co-operative society. This line of thinking is erroneous. What is of importance is that the institutions should

have trained personnel to execute the work. They should be aware that Khadi and village industries work has a technique of its own. With the advent of Ambar Charkha in the field of Khadi the technique has advanced even further. Village industries such as ghani oil, hand-pounding of paddy, leather tanning etc., have also certain techniques pertaining to purchase of raw materials, processes of production, disposal of finished products and others, which need expert knowledge and training. The institutions must have trained and experienced workers who are well-versed in these techniques.

There is a fundamental difference between Khadi and other village industries, which should be clearly appreciated. There is a certain philosophy behind Khadi. The Khadi industry has developed a kind of distinctiveness of its own to some extent in its field. A tradition has been established in Khadi work for the last 36 years. Khadi work also consists of certain technical processes right from purchase of cotton to sale of Khadi. Therefore, Khadi institutions must have workers who understand the basic idea of the work besides being thoroughly trained in its techniques.

The word "decentralisation" has created some confusion in the field of Khadi and village industries. What actually happens is that at some place where a particular institution organises its work on solid foundations, some workers start another institution. The new institution attracts some workers of the old institution to itself by offering financial temptations and then approaches the Commission for financial assistance. Caution should be exercised



in the case of formation of such mushroom institutions which wean away workers from existing institutions. This is not decentralisation, but fragmentation. Such practices should not be encouraged.

This is not to say that no new institutions should be formed. For example, when a new institution is formed to carry on work intensively where work on an extensive basis has been already developed, such institution should be recipient of aids of all types from the Khadi and Village Industries Commission. But to carry on intensive work, such organisations should have experienced and expert workers imbued with a missionary spirit.

A very small area of say, 5 to 10 villages should be allotted to them. The field should be allotted after securing the consent of the old institution and the latter should not have much work in that area. Otherwise, conflicts between the institutions will grow. Khadi and village industries work is based on love and mutual co-operation. There should be no room for competition here. During the last four years, our work has certainly progressed; but, side by side, competition and other defects have also crept in and they are growing. It is, therefore, necessary to bear all these things in mind when assigning work to a new institution.

The State Khadi and Village Industries Boards have to be particularly aware of the fact that though they are set up by the Parties in Power in State Governments, in the final analysis they have a duty to perform and be responsible to the people. They must, therefore, entrust the work to the deserving institutions and persons as are

capable of taking up the programme and carrying it out. It is immaterial to what political philosophy the workers of that institution subscribe. This point is very important.

The work of the State Khadi Boards does not end with merely distributing funds to institutions. It is their duty to help the institutions to overcome their difficulties and to correct short comings in their work. No purpose will be served by just pointing out defects or shortcomings in the work of the institutions. It is the duty of the State Boards to guide them in removing the short comings. For this, the State Boards must have a band of devoted and trained workers.

The work of the auditors is not merely to point out shortcomings, but to guide the institutions so that the latter might be saved from committing similar mistakes in future. The inspectors, too, have to act as "friend, philosopher and guide." This is highly essential because Khadi work has to be carried on in the villages where ability and literacy are not to be found in a large enough measure. These local people, have ultimately to execute the work and, therefore, the State Boards must take up the responsibility of removing the shortcomings of the workers by training them on proper lines. The State Boards should convene regional conferences of workers of the institutions to consider the day-to-day problems faced by them and guide them to evolve solutions for them. This work will be facilitated by closer contacts with the Sanchalaks of the institutions.

If other welfare activities are started in



the same area where programmes of State Boards are already in operation, it will help our work. The State Khadi Boards should, therefore, develop closer relations with the Handloom Board, the Handicrafts Board, the Backward and the Scheduled Castes Commission, the Social Welfare Board etc., and secure maximum possible help from them for improving the financial condition of artisans.

It has been our insistence from the beginning that the members of the State Boards, and its employees should be those persons who are well acquainted with the areas and field workers in the State and are fully conversant with the potentialities

of the State from the point of view of starting new institutions. The personnel must have faith in the programme of Khadi and village industries. Money is a poor instrument compared to the importance of the work we have set out to do. But we have to make every pie go to the farthest extent. The members of the State Boards must recognise this vital consideration. The Secretary of the Board must not allow the work to be bogged down in red-tapism, must help in expediting the work of the institutions and must be able to win the co-operation of all in the work. This alone will ensure success of the work of State Boards.

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## APPENDIX 3

**Note on Item 2 of the Agenda : Modifications in Acts constituting State Boards so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission.**

It may be recalled that the first conference of representatives of State Governments, State Boards, etc., was held at Poona in November, 1954, wherein the constitution, functions, etc. of statutory organisations in the States had been considered in full and suitable recommendations made. In pursuance of the decisions in the above Conference the Commission ( then All India Khadi and Village Industries Board ) approached the State Governments to enact suitable legislation and set up statutory State Khadi and Village Industries Boards in the States for the purpose of effectively working out programmes of Khadi and village industries. As a result of such efforts, all the State Governments, except Madras, West Bengal, Uttar Pradesh and Jammu and Kashmir State have constituted statutory bodies in their States. While Madras and West Bengal have informed that such requisite legislation is being undertaken the other two State Governments have not communicated their present views. It may be necessary for this conference to enquire and know whether the statutory bodies already established and functioning in the States have adequately been enabled to work with satisfaction and efficiency. It will also be necessary for this Conference to consider whether such enactments constituting State organisations required any

modifications, and if so to what extent, with a view to bringing in speedier work and greater efficiency.

**Constitution Of The Boards:** The first conference held at Poona in November, 1954 had recommended that the composition of the State Boards should be of a certain pattern (copies of the decisions supplied). The decisions at Poona had referred to the maximum strength and the quality of the Membership. It is possible that some State Boards have not been formed in strict adherence to the above pattern laid down by the Poona Conference. While the number of members had exceeded the maximum of fifteen (as laid down by the Conference) in one case, in some other cases majority of the members, perhaps, may not be considered as non-officials. While the Poona Conference recommended that the Secretary of the Board should normally be a non-official, in many States it is found that the Secretaries are Government servants. This conference has to consider whether any suitable recommendation has to be made with regard to these points after knowing from the representatives of the State Governments concerned, how far the deviations, if any, in the constitution of the State Boards from the pattern recommended have contributed to the successful working of



the Boards.

**Disbursement :** The State Boards take the necessary funds from the Khadi and Village Industries Commission and then pass them on to institutions within their jurisdiction except for any scheme which is reserved for being worked directly by the Boards themselves. In the past, many instances have occurred to show that the State Boards have not been able to transmit funds to the institutions without inordinate delay. Such delays might perhaps be caused by inadequacy of staff or by want of sufficient powers to the State Boards under the constitution by which they had been formed. The Conference may consider whether constitutional inadequacy has really led to these delays in these cases and also find out ways and means and suggest suitable alterations in the legislations if necessary.

**Borrowing Powers :** In the past, after scrutiny, it was found that in one case, the legislation setting up the State Board had not provided for giving adequate powers to borrow from bodies like the Khadi and Village Industries Commission. Although this deficiency had been rectified later in that case, it may be possible that failure to grant adequate powers to the Boards to take loans from bodies like the Khadi and Village Industries Commission may prevent such Boards from working effectively. The representatives of the States may perhaps like to have a discussion on this point at the Conference with a view to removing the defects in the legislation, if any.

**Budget :** Normally, once in a year, the

budget and the annual programme are prepared by the State Boards and got approved by the State Governments. It is believed that once the programmes and budgets are approved by the State Government, it will not be necessary for the State Board to seek the sanction of the State Government for individual schemes set out in the annual programme. It is supposed that there is sufficient provision in this regard in the State enactments. In any case where there is no such provision, or if the provision is inadequate, the question may be considered by the Conference.

**Powers For :** It is expected that once **reappropriation** the annual budget and the programmes are approved by the State Government, there must be sufficient provisions in the State enactment for empowering the State Board to make minor reappropriations under the several major heads subject to the over-all grant and loan. It has been the experience of the Commission that without such powers the regular working of the organization is impeded. While the Commission has these powers under its constitution, it will be advisable for the conference to consider whether such powers are not also necessary for the State Boards provided for in their respective statutes.

**Minor Modifications :** During the working in the course of the year based on the annual budget and programme approved by the State Government it may be possible that occasions may arise where it will



be necessary for the State Board to make minor alterations in the schemes with respect to its pattern. In all such cases the State Boards have to contact the Commission and get its approval for effecting necessary modifications. In the interest of effective and speedy working it will also be necessary that the State Board may be permitted to implement the same as soon as approval of the Commission is obtained. In many of the State statutes there is no provision for such minor alterations in the schemes. It impiles that in every such case the State Board may have to approach its State Government for concurrence. This is likely to involve delays which would otherwise be avoidable. The Conference may consider whether provision in the State statute empowering the State Board to implement schemes as modified and approved by the Commission may be necessary in the interest of effective working.

**Power To :** There may be occasions, whether in the case of trading transactions directly undertaken by the State Board or otherwise, when losses would have resulted which require to be written off. These losses would either be due to theft, fraud, etc. or as a natural consequence of transactions in the ordinary course of business. Amounts involved in such cases required to be written off may also be very small. If necessary provision in the statute does not exist, it will be necessary for the State Board to approach its State Government for writing off even in respect of such small amounts. It may be mentioned that the Commission has been granted necessary powers under this head in its constitution. The Conference may consider whether in the same manner it will be necessary for the State Board also to have similar powers though on a restricted scale and if so to what extent.



**Supplementary note on item 2 of the Agenda : Modifications in Acts constituting State Boards so as to give powers to them on the lines of those given to the Khadi and Village Industries Commission.**

**Borrowing :** The State Board has generally **Powers** to depend upon the funds from the Khadi and Village Industries Commission for taking up developmental activities in respect of Khadi and village industries. Except for the establishment expenses of the offices of the State Boards, almost all the funds which the State Boards handle have to come from the Khadi and Village Industries Commission. Such being the case, it may be advisable to have statutory provisions in their constitution to empower the State Boards to receive grants and loans from the Commission. While many of the States have made the necessary provisions generally for borrowing loans in the statutes constituting the Boards, it is found that there is no such provision in the case of Rajasthan, Saurashtra and Hyderabad. All the same these three Boards also have taken funds from the erstwhile Khadi and Village Industries Board as well as the Commission. This is an irregularity which has to be rectified.

Many of the Boards have been empowered to borrow by suitable provisions in the statute creating them. Generally the language used in the relevant section is as follows:

“ The Board may accept grants, subventions, donations and gifts and receive loans from the Government or a local authority or any body or association, whether incorporated or not, or an individual for all or any

of the purposes of this Act. ”

Even though no mention has been specifically made of the Khadi and Village Industries Commission there is sufficient authority for the Board to borrow from the Commission. It has to be considered by the Conference whether provision on the lines above quoted may not be necessary in the statutes creating the three Boards mentioned above.

It is also found that even in respect of State enactments which include the provision quoted above, there is also another subsequent provision about borrowing, which in fact detracts from the powers given to the State Board in the former provision. The latter provision may be said to be worded as follows :

“ The Board may from time to time with the previous sanction of the Government and subject to the provisions of this Act and subject to the conditions as the Government may determine, borrow any sum required for the purpose of this Act ”

This provision insists that the previous sanction of the State Government has to be taken by the State Board whenever the Board borrows any sum. The effect of this provision is likely to create hardships and to involve delays especially when the sums borrowed by the Board are from the Commission.



The Commission may, before the beginning of every financial year, have discussions with the representatives of the State Boards (as the one they had in January and February 1958 in respect of the programmes for 58-59) and draw up agreed conclusions with respect to the programmes to be undertaken by the State Boards for the coming year. As a result of such discussions it will be possible for the State Boards to know before hand the extent of the funds that they will be able to get from the Commission during the year. Most probably the Commission may arrange such discussions in future years also in January-February or a little earlier if circumstances permit. The State Boards after knowing the expected financial aid from the Commission should be able to approach their respective State Governments for sanction for the total grants and loans expected. If this step is taken and the sanction of the State Government obtained before the beginning of the relevant financial year it may not be necessary for the State Board to approach the State Government in every case of receipt of such amounts. It is also suggested that the State Boards should be required to get the sanction only once during the year and that at the beginning or so of the financial year so that delays may be avoided.

Another alternative for the State Board would be to move the State Governments to make suitable provision in their statutes mentioning that with regard to loans taken from the Commission previous sanction of the State Government is not necessary. Perhaps it may not be difficult for the State

Governments to agree to this proposal since the funds that they receive from the Commission are really from the Government of India.

When the State Board is generally authorised to borrow loans from the Khadi and Village Industries Commission, the State Board, according to the rules of the Commission, has to hypothecate or mortgage all its assets inclusive of properties whether movable or immovable. In the constitution of several of the State Boards, it is found that in respect of alienation of immovable properties prior sanction of the State Government is necessary. It is not suggested herein that there should be no such provision in respect of all alienations by the State Board. But the Commission would like to suggest that in the interest of speedy implementation of the work of Khadi and village industries exceptions are to be made in cases where the immovable properties are mortgaged to the Commission. The Conference may consider the question of recommending suitable provisions in this regard.

**Minor Amendments To The Constitution :** In the constitution of several Boards mention is made of All India Khadi and Village Industries Board, for the present Commission was known by that name before it became statutory. It may, perhaps, be necessary now for making the necessary amendments to substitute the words "Khadi and Village Industries Commission" for the words "All India Khadi and Village Industries Board" wherever they appear in the Constitution.



## APPENDIX 4

### Note on Item 3 : Jurisdiction of State Boards consequent upon the Reorganization of States.

Before the reorganization of the States on 1st November, 1956 as many as eight States, viz., Hyderabad, Bombay, Saurashtra, Madhya Bharat, Rajasthan, Bihar, Assam and Orissa had constituted statutory State Boards which were functioning till the above date. Consequent to the States Reorganization Act, 1956 and the reorganization of the States on 1st November, 1956, certain areas in some of the States had been removed from their jurisdiction and tagged on to the neighbouring States and/or new areas have also been added on to the then existing areas. This was likely to unsettle the working of some of the State Boards, and to obviate such difficulties, Section 9 of the Reorganization Act 1958 provided for the smooth functioning of such corporate bodies even after 1st November, 1956 until other provisions were made by law in respect of them. Under Section 109 of the above Act bodies corporate which immediately before the 1st November 1956 were functioning in connection with the affairs of the existing State and which became inter-State since that date, were allowed to continue to function and operate in areas in which they were functioning and operating immediately before that date until other provisions were made by law in respect of these bodies corporate.

Parliament had since enacted the Inter-

State Corporations Act 1957 which provides inter alia for the reconstitution, reorganization and dissolution of a corporation constituted under any of the Acts specified in the schedule to that Act. Section 5 of this Act viz, Inter-State Corporations Act, 1957, permits the Central Government to specify in the schedule any other Act under which a body corporate constituted for a State is functioning in two or more States by virtue of Section 109 of the State Reorganisation Act, 1956.

The Commission was informed by the Government of India, Ministry of Commerce and Industry, that the States affected by the Reorganization will have to move the Central Government for inclusion of their particular statute constituting such corporate bodies to deal with Khadi and Village Industries in the schedule to the Inter-State Corporations Act, 1957 as per the provisions under Section 5 of the above Act. It was also stated that once the affected States had moved the Central Government and its statute setting up the corporate body to deal with Khadi and Village Industries had been included in the schedule to the Inter-State Corporations Act, 1957, it would be possible to reconstitute, reorganize or if necessary, dissolve such body. The Commission in pursuance of this communication from the Government of India had addressed the State



Government of Andhra Pradesh, Bombay, Madhya Pradesh, Rajasthan, Kerala and Punjab. The Government of India, in the Ministry of Commerce and Industry had also addressed these State Governments in this regard. Of these States, Rajasthan alone has so far been successful in having its statute (Rajasthan Khadi and Village Industries Board Act 1955) included in the Schedule to the Inter-State Corporations Act 1957. The Madhya Pradesh Government has informed the Commission that it has also applied to the Government of India for inclusion of its Act. Bombay, the Commission is informed, has approached the Government of India, though not by an application under Clause 5 of the Act but with a scheme under section 3 of the same Act. Recently the Mysore State Board has submitted a similar scheme to the State Government under Section 3 of Act. While Punjab has replied that no application to Government of India under Section 5 is thought necessary, the Andhra State has intimated that a bill for the entire Andhra region is being finalized for introduction in the next session of the Legislative Assembly. The communication from Andhra State says that the new Board which may be formed after passing of the Bill will have jurisdiction over the entire Andhra State. This communication has not stated whether the Andhra Government has applied to the Government of India for inclusion of the Hyderabad State Board Act in the schedule to the Inter-State Corporations Act 1957 under section 5 of the same Act. The Kerala State has not yet replied.

In the meanwhile the Government of India in the Ministry of Commerce and Indu-

stry has intimated the Commission that the initiative will have to be taken by the State Governments themselves to take advantage of the legislation of 1957 in respect of the Inter-State Corporation.

This being the present position, it may be necessary to consider how the work of Khadi and Village Industries in these States can be effectively done through their statutory State Khadi and Village Industries Boards.

1) Since Section 109 of the State Reorganization Act 1956 permitted the State Statutory Boards functioning as on 1st November, 1956 to continue to function and operate in the same areas even after that date until some other legislation is passed, it is implied that this provision is made with a view to avoid any conflict between the two neighbouring State Boards. It also implies that in any case where existing areas are not curtailed by the reorganization but only enlarged by the addition of areas from the neighbouring State, the procedure laid down under section 5 of the Inter State Corporations Act, 1957 is not necessarily to be followed. This will especially be the case when the additional areas taken over as a result of the reorganization of States belonged originally to States which had no statutory State Khadi and Village Industries Boards. If this position is accepted, the Punjab State need not invoke the provisions under Section 5, since the Punjab State Khadi and Village Industries Board which was constituted on the 11th February 1957 had enlarged its jurisdiction by the addition of the old PEPSU area where there was no State legislation in this regard.



In Kerala the Malabar District which had formed part of the Madras State had been added on while the Kanyakumari District which formed part of the Travancore Cochin State had been taken away. But it has to be considered that in neither of the States of Madras or Travancore-Cochin there was any statutory State Board on 1st November, 1956. Only in Kerala a statutory Khadi and Village Industries Board has been set up, and that too only after the reorganisation of States, covering the entire State of Kerala. Therefore, it may not be necessary for the Kerala State to invoke the provisions under Section 5 of the Inter-State Corporations Act. As regards Madhya Pradesh State, there was a statutory State Board for the Madhya Bharat Area and new areas from the old Vindhya Pradesh and Madhya Pradesh State have been taken over by the present State. Neither in Vindhya Pradesh nor in the old Madhya Pradesh had there been any statutory State Board. In the circumstances, perhaps, there was no need for the Madhya Pradesh State Board to invoke the provisions under Section 5 of the Act. All the same, this State Government has already applied to the Government of India under this Section. Action of the Government of India is awaited.

While Rajasthan, as stated earlier, has been successful in having its legislation viz., the Rajasthan Khadi and Village Industries Board Act, 1955 included in the schedule to the Inter-State Corporations Act, the territories of the old Rajasthan State have been enlarged by the addition of the Abu Road Taluka which belonged to the original Bombay State due to reorganization. It is supposed that this State Government will

be taking further steps for reconstituting or reorganizing its State Board if it deems fit. Since in the case of Bombay State some areas (Karnatak areas) have been taken away and the areas of Saurashtra, Kutch, Vidarbha and Marathawada have been added on as a result of the reorganization it has to be considered whether it will not be necessary for it to invoke provisions under Section 5 of the Inter-State Corporations Act or whether the scheme sent by them to the Government of India referred to earlier will be adequate. In the same way, perhaps the Mysore State also may send a similar scheme to the Government of India. But the question for consideration is whether it will not be necessary for the State to invoke the provisions under Section 5. In Andhra also, when the bill for the entire Andhra region is being finalized, as mentioned earlier, it has to be considered whether it will not be necessary also to invoke provisions under Section 5 of the Inter-State Corporations Act.

The Commission regrets to note that after the reorganization, work of some of the above Boards could not be speeded up, especially in the areas which have been removed from their jurisdiction and added to other neighbouring States, due to the dislocation caused. The Commission hopes that these States will soon be able to settle the jurisdictions of their respective Boards so that the latter may be enabled to work more vigorously and smoothly.

Copy of the letter No. 289/CIN/58 date 23.1.58 from the Ministry of Commerce and Industry, New Delhi addressed to the Chairman of the Commission is attached as an annexure to this note for ready reference.



**Note on Item No. 3 : Jurisdiction of State Boards consequent upon the Reorganization of States.**

Copy of letter No. 289/CIN/58 dated 23rd January, 1958 from the Ministry of Commerce and Industry, Government of India addressed to the Chairman of Khadi and Village Industries Commission.

"Please refer to your demi-official letter No. 4/38/BGT/57, dated the 16th January, 1958, on the question of statutory Khadi and Village Industries Boards which have been affected by the reorganisation of States. I find that under section 109 of the States Re-organisation Act, 1956 bodies corporate which immediately before the 1st November 1956, were functioning in connection with the affairs of an existing State and which become inter State since that date, were allowed to continue to function and operate in areas in which they were functioning and operating immediately before that date until other provision was made by law in respect of these bodies corporate.

"Parliament has since enacted the Inter-

State Corporations Act, 1957, which provides inter alia for the reconstitution, reorganisation and dissolution of an Inter-State Corporation constituted under any of the Acts specified in the schedule to that Act.

"Section 5 of the Act permits the Central Government to specify in the schedule any other Act under which a body corporate constituted for a State is functioning in two or more States by virtue of section 109 of the States Reorganisation Act, 1956.

"The States concerned will, therefore, have to move the Central Government for inclusion of their particular statutes setting up such corporate bodies to deal with Khadi and village industries in the schedule to the Inter-State Corporations Act, 1957, whereupon it would be possible to reconstitute, reorganise or, if necessary, dissolve such bodies. We are separately bringing to the notice of the State Governments the provision of this Act whose advantage they would be advised to avail of if the circumstances so require."

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## APPENDIX 5

### Note On Item 4 : Release of funds by Commission to State Boards and further release by State Boards to institutions.

- (a) Time within which release should be made by State Boards to institutions.
- (b) Question of charging interest on the loans given by the Commission to the State Boards.
- (c) Hypothecation deed for obtaining loans from Commission or by the institutions from State Boards.

1. The All India Khadi and Village Industries Board had been following the policy of implementing its programme of work through the Statutory State Boards (wherever they had begun to function) to as large an extent as practicable. The All India Khadi and Village Industries Board had, however, to continue to extend the financial assistance to old institutions and also to institutions in areas, where the State Boards had not begun to function. The Khadi and Village Industries Commission had arranged meetings with representatives of State Boards, early during this year for consulting them regarding the extent to which they would undertake the work of the schemes of the Commission during 1958-59. Arrangements have been made to release funds for the various schemes as necessary indents are received from the State Boards.

2. For enabling the State Boards to implement the Commission's programme,

(which they undertake to execute) it is necessary that funds are released by the Commission, as expeditiously as possible. The Commission has, however, to ensure that the funds thus released do not remain unutilised for more than a reasonable period, either with the State Boards or with the institutions to whom they are granted by the State Boards. This can be achieved if :

- (a) the Boards approach the Commission for releasing funds, only after necessary preliminary arrangements are complete for further release of the funds by the State Boards to institutions concerned, or when arrangements are complete for starting the work, in respect of items which the Boards propose to handle directly, under their own management.
- (b) the Boards recommend the release of funds direct by the Commission to institutions selected by them, on their behalf.

3. The Commission would be in a very awkward position, if large amounts of funds released by them get immobilised at various stages of disbursement. Past experience has indicated that there were several instances when funds released by the Commission remained unutilised and in some



cases remained even undisbursed with some of the Boards for abnormally long periods. It would not be necessary to mention particulars of such instances but it was observed that in a few cases the Board concerned did not release the funds to the institutions (for whom they were specially indented) for long periods. There may be difficulties which may have led to such a position, but we must discuss and fix a procedure by which such instances could be avoided in future. It would, therefore, be of great help to the Commission, if the State Boards adopt one of the two alternatives referred to in sub paras (a) and (b) of para 2 above, while asking for the release of funds. The Commission has devised forms in which required particulars should be forwarded by the State Boards after necessary arrangements have been completed by the Boards for immediate further disbursement and utilisation of funds. In this connection the Commission proposes to maintain registers, with required particulars about all institutions, to whom funds are being released for implementing the programme of the Commission, either directly by the Commission or through State Boards. This register would be of great use when indents are received from State Boards for funds meant for granting them to institutions named by them in their indents.

4. It is our experience that normally it takes about 4 to 6 weeks, before the funds can be actually remitted after processing the cases in the various branches of the Commission's Office. This is, however, possible if the indents for funds are sent in accordance with the procedure prescribed by the Commission. If this is not done delays

are inevitable, inspite of our anxiety to expedite the implementation of the programme. In special cases of urgency, funds have been released in much less time. This may not, however, be practicable in general.

5. When the funds are to be sent directly by the Commission to the institutions on the recommendations of the Board, the amounts would reach the institutions, as soon as they are released by the Commission, as per procedure indicated in para 2 (b) above. However, when funds are remitted to the State Boards for releasing them to the institutions, it is necessary for the Boards to evolve a procedure by which it should be possible for them to pass on these funds to institutions concerned within about two weeks, since much of the preliminary procedure ought to have been completed before placing the indents by the State Boards to the Commission. At any rate, it is felt that this period should not exceed four weeks.

6. There are several items of loans (in our pattern of schemes) in which interest has to be levied on loans disbursed by the Commission. According to the conditions of these loans, the institutions would pay the interest from the dates the amounts are may remain with the Boards for some time, before they are further released by them to the institutions. This can be obviated if the Boards advise the Commission to remit the funds direct to institutions recommended by them. In such cases also the actual loan agreements will be between the Board and institutions and the Commission would only remit the funds on behalf of the State Board concerned. The Commission has decided to undertake the



additional office work involved by this procedure, with a view to reducing the period of avoidable delay in implementing the programme, as far as possible. When the funds are disbursed by State Boards, it is anticipated that it may take upto four weeks, for such disbursement of funds. The Commission has, therefore, decided to approach the Government of India to allow us not to claim interest from the State Boards for two months for enabling them to disburse the amounts. It is obvious that if the amounts remain undisbursed for longer periods the State Boards would have to meet the extra expenditure on account of interest out of the grants received by them from the State Governments. The rates of interest will of course be prescribed by the Government of India from time to time.

6. (b) Besides, delay in disbursement of funds to institutions will also mean that the period available to the institutions for implementing the work will be less to the extent of the delay in releasing funds as the loans have to be returned within a specified period according to the conditions of loans in case of the different schemes.

7. In accordance with Rule No. 28 of the Khadi and Village Industries Commission Rules of 1957, the Commission can disburse loans, after executing an agreement with the borrower. This agreement can be in the form of a mortgage deed, a surety bond or a hypothecation deed. It is proposed to adopt the hypothecation deed in respect of most of our advances for fulfilling the requirement of loan Rules. Most of the State Boards have been authorised (under

the Acts under which they are established) to borrow loans from the Khadi Commission for carrying out their programmes. The Boards which do not possess such powers should move the State Governments to make necessary amendments in the Act. The Commission has requested Government to advise whether the State Boards should execute hypothecation deed in respect of the financial assistance which is placed at their disposal. Their decision would be communicated to the Boards in due course.

### **Hypothecation Deed From Institutions**

8. The State Boards will have to get hypothecation deeds (with an upper limit of advances) executed by the institutions to whom the loans are disbursed by them. They will also have to obtain receipts from them in the prescribed form, whenever amounts of loan are paid, from time to time under the hypothecation deed (which would indicate an upper limit for the total amount of the loan). Copies of the form of hypothecation deed and of a receipt are attached. It is suggested that copies of such agreements should be forwarded by the State Boards to the Commission as soon as they are executed. The Commission will keep all such copies on record in the Accounts Section at the Head Office. As the State Boards are not likely to have adequate assets to cover the amounts of loans given to them (either in the form of existing assets or assets likely to be created out of the loans paid to them), it is proposed that they should give a power of attorney to the Commission, to act on their behalf, if and



when necessity arises regarding recovery of loans from any of the defaulting institutions. A form of agreement for giving such power of attorney will be supplied to the Boards in due course.

The institutions will have to pay stamp duty while executing the hypothecation deeds. The Commission has decided to request Government that the amount of such stamp duty paid by the institutions should be reimbursed to them by way of grant through the State Boards. It is also proposed (if Government agree) to place at their disposal estimates of grants for this purpose while releasing funds. As already mentioned, the hypothecation deeds would be for an upper limit of amount. It is necessary to explain that amounts could be disbursed to the Institutions under the deed so long as the total amount due from them does not exceed this upper limit at any time of the duration of the hypothecation deed. This hypothecation deed (which may also be termed as credit line) is of a continuous nature and no fresh stamp duty would be payable as amplified below. Although there would be several transactions under the deed, of payment and repayments under the hypothecation deed no fresh stamp duty would be payable against any of these transactions, unless the total amount of funds actually due from them (as a result of all these transactions) do not exceed the upper limit of the hypothecation deed.

#### **Insurance of Assets :**

9 The borrowing institutions will have to insure their assets against fire, theft, frauds, risks etc. It would be necessary that they

should assign the policies to the Commission. It would, however, be their duty to see that the conditions of the policy are duly observed and that the premia are paid in good time. The State Boards are requested to explain the procedure to the borrowing institutions and see that it is adopted in all cases.

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## Khadi And Village Industries Commission Deed of Hypothecation (Tentative Draft)

ARTICLES OF AGREEMENT made and entered into at this day of 195 between

(Set out here the full name and description of the Borrower)

hereinafter called the "Borrower/s" (which expression shall unless repugnant to the subject or context include its/their success or successors and assigns) of the one part and the Khadi and Village Industries Commission hereinafter called the "Lender" (which expression shall unless repugnant to the subject or context include its successor or successors and assigns) of the other part;

WHEREAS the Lender having at the request of the Borrower/s opened or agreed to open in the books of the Lender a cash credit account to the extent of Rs. . . . . in the name/s of the Borrower/s to be secured by goods to be hypothecated with the Lender IT IS HEREBY AGREED BETWEEN THE LENDER AND THE BORROWER / S as follows :-

1. The Borrower/s hereby hypothecate/s in favour of the Lender all the goods hereunder described namely :-

(Set out here the detailed description of the movable property to be hypothecated).

including cash in hand or at Bank or remain-

ing to the order of the Borrower/s including all the stocks thereof for the time being whether raw or manufactured or in process of manufacture and also all products, goods and any and every tangible movable property of the Borrower/s whether now lying or at any time hereafter during the continuance of this security lying or being in or about the Borrower/s premises and go-down at or wherever else the same may be held by any party anywhere to the order and disposition of the Borrower/s or in course of transit to the Borrower/s (all of which are hereinafter called "the Hypothecated goods".)

2. The hypothecated goods are hypothecated as security by way of first charge (unless the goods are already hypothecated with a State Government or the Akhil Bharat Sarva Seva Sangh in which case the Lender will have a second charge on the hypothecated goods and if one of them has a second charge the lender will have the next charge) for the due repayment by the Borrower/s to the Lender as the balance due to the Lender at any time or ultimately on the closing of the said cash credit account and all costs, charges and expenses incurred by the Lender for preservation, protection, defence and perfection of this security or for attempted or actual realisation thereof and also for due repayment of all present and future indebtedness and



liabilities of the Borrower/s to the Lender of any kind in any manner whether solely or jointly primary or collateral accrued or accruing with all relative interest, charges, costs and expenses. The expression balance due to the Lender in this and subsequent clauses of this agreement shall be taken to include the principal money from time to time due on the said cash credit account and also all interest thereon calculated at the agreed rate and the amount of all charges and expenses which the Lender may have paid or incurred in any way in connection with the hypothecated goods or the sale or disposal thereof.

3. The Lender may at any time without assigning any reason whatsoever discontinue to give any further loan to the Borrower although the total amount of loans given under this agreement does not exceed the said sum of Rs....

4. That on demand by the Lender the Borrower/s shall repay to the Lender at the office of the Lender at Bombay the balance due to the Lender on the said cash credit account together with all further interest at the agreed rate and the amount of all costs, charges and expenses (if any) upto the date of payment. Provided that nothing herein this clause contained shall be deemed to prevent the Lender from demanding payment of the interest for the time being due without at the same time demanding payment of the balance due to the Lender exclusive of such interest.

5. The accommodation so obtained shall be wholly applied in the ordinary course

of and for the purpose for which the same has been sanctioned.

6. The Borrower/s may in the ordinary course of business sell and dispose of any of the hypothecated goods except machinery and other equipments provided that the Borrower/s shall not make any sale of any of the hypothecated goods upon being prohibited in writing by the Lender from doing so.

7. The Borrower/s shall pay all rents, rates, taxes, payments and outgoings in respect of the hypothecated goods, and shall keep the same insured for their full market value against loss or damage by fire and shall insure against such other risks as the Lender shall require and shall deliver to the Lender the policy or policies of insurance duly assigned or transferred in favour of the Lender. All sums received under any such insurances as aforesaid shall be applied in or towards the liquidation of the amounts due by the Borrower/s to the Lender.

8. That all the hypothecated goods shall be held as the Lender's exclusive property specifically appropriated to this security to be dealt with only under the direction of the Lender and the Borrower/s shall not create any mortgage, charge, lien or encumbrance upon or over the same or any part thereof except to the Lender nor suffer any such mortgage charge lien or encumbrance to affect the same or any part thereof nor do or allow anything that may prejudice this security.

9. The Borrower/s shall submit to the Lender six monthly or oftener as may be required stock statements verified by



certificates of its authorised Officers for the time being that the quantities and amounts stated are correct and will also furnish and verify all statements, reports, returns, certificates and information and will also execute all documents and do all acts and things which the Lender may require to give effect hereto.

10. That this agreement is to operate as security for the balance from time to time due to the Lender and also for the ultimate balance to become due on the said cash credit account and the said account is not to be considered to be closed for the purpose of this security of and the security of hypothecated goods is not to be considered exhausted by reason of the said cash credit account being brought to credit at any time or from time to time or by reason of the said account being drawn upon after having on one or more occasions been drawn upon to the full extent or in excess of the said sum of Rs. .... and subsequently reduced by a payment to credit.

11. The Borrower/s shall be bound by the Loan Rules annexed herewith in so far as they are not inconsistent with the express provisions of this agreement.

12. The Borrower/s shall permit the Lender its agents and servants from time to time and at all times to enter upon in the godowns or premises where in the hypothecated goods or any part thereof may for the time being be and to view, inspect and value the same and take inventories thereof or to take possession thereof and render to the Lender and its agents and servants all facilities as may be required for any purpose whatsoever herein mentioned.

13. The Borrower shall every year furnish to the Lender within a period of six months from the closing date of their financial year a copy of the audited statement of accounts in respect of loan granted till the closing of their financial year together with a certificate from the Registered Auditors or Auditors approved by the Lender to the effect that the loan has been utilised for the purpose for which it has been sanctioned and on the scale prescribed by the Lender.

14. The Borrower shall regularly send to the Lender six monthly accounts showing details of the utilisation of the loan and also six monthly or oftener as may be required progress report of the working of the Industry in the form prescribed by the Lender.

15. The Borrower shall allow their account books and other relevant papers to be inspected by Officers or representatives of the Lender and also make them available for inspection and audit as and when required by such officers or representatives or by the Audit Department of the Government of India.

16. The Lender and/or its officers or agents shall be entitled at any time as if the absolute owners and without any notice to the Borrower/s but at the Borrower's risk and expenses and if necessary as attorneys for and in the name of the Borrower/s to enter and remain at any place where the hypothecated goods or any part thereof shall be and to take possession of, seize, recover, receive and remove the same and/or appoint any officer or officers of the Lender as receiver or receivers of the



hypothecated goods or any part thereof and/or sell either by public auction or by private contract or otherwise dispose of or deal with all or any of the hypothecated goods in one or more lots and to enforce, realise, settle, compromise and deal with any of the rights aforesaid without being bound to exercise any of these powers or being liable for any loss in exercise thereof and without prejudice to the Lender's rights and remedies of suit against the Borrower/s and to apply the net proceeds of such sale in or towards liquidation of all the amounts due by the Borrower/s to the Lender and the Borrower/s hereby agree/s to accept the Lender's account of sales or realisation as final and conclusive and to pay any short-fall or deficiency therein shown AND IT IS FURTHER AGREED AND DECLARED that if the net sum realised by such sale shall be insufficient to pay all the amount due by the Borrower/s to the Lender, then the Lender shall be at liberty to apply any other money or moneys in the hands of the Lender standing to the credit of or belonging to the Borrower/s in or towards the payment of the balance.

17. The Borrower/s hereby declare/s that all the hypothecated goods are the absolute property of the Borrower/s at the sole disposal of the Borrower/s and free from any prior charge or incumbrance and that all future goods and property shall be like-wise unincumbered and undisposed of property and that the Borrower/s have/has not done or knowingly suffered or been party or privy to anything where by he/they is/are in any way prevented from hypothecating the hypothecated goods in the manner aforesaid and that the Borrowers

will do and execute at his/their costs all such acts, deeds and things for further and more perfectly assuring the hypothecated goods or any part thereof to the Lender as shall be required by the Lender and for giving better effect to these presents the Borrower/s doth/do hereby authorise and irrevocably appoint the lender and/or its officers or officer as attornerys or attorney for and in the name of the Borrower/s to act on behalf of the Borrower/s and to execute and do any act, deed, assurance and things which the Borrower/s ought to execute and do under these presents and generally to use the name of the Borrower/s in the exercise of the powers hereby conferred.

18. That nothing herein contained shall prejudice any rights or remedies of the Lender in respect of any present or future security, guarantees, obligations or decree or any indebtedness or liability of the Borrower/s to the Lender.

19. All disputes and differences arising out of or in any way touching or concerning this agreement or the construction or application thereof or any clause or thing herein contained or any account or valuation whatsoever shall be referred to the sole arbitration of any person nominated by the Lender. There shall be no objection to any such appointment that the person so appointed is a servant of the Lender or of any Government or that he had to deal with any matters to which this agreement relates and that in the course of his duties as such servant he had expressed views on all or any of the matters in dispute or difference. The award of such



arbitrator shall be final and binding on the parties to this agreement. In the event of such arbitrator being transferred or vacating his office or unable to act for any reason, the Lender shall appoint another person to act as arbitrator in accordance with the terms of the agreement. Subject as aforesaid the Indian Arbitration Act, 1940 shall apply to the arbitration proceedings under the clause.

IN WITNESS WHEREOF the Borrower/s has/have hereunto

the respective common

put their respective hands and seals and the common seal of

seals of the parties hereto have

the Lender has been hereunto affixed the day and year first herein above written.

been hereunto affixed.

The clause relating to the execution by the Borrower/s will have to be drafted according to the regulations or bye-laws of the Borrower/s.

The Seal of the Khadi and Village Industries Commission was hereunto affixed and Shri

the Chairman of the Khadi and Village Industries Commission has hereunto signed his name.

(Note: Annex the Loan Rules)

Chairman



## The Khadi And Village Industries Commission.

RECEIVED from the Khadi and Village Industries Commission the sum of Rs. ( Rupees ) as a loan / further loan in pursuance of the Deed of Hypothecation dated the day of 195 executed by us in favour of the Commission and over and above the terms and conditions contained in the said Deed of Hypothecation we also agree to the following terms and conditions in connection with this loan of Rs. viz :-

1. That this loan of Rs. shall be utilised by us as working capital and/or for capital expenditure for the purposes of
2. That we shall repay the whole amount of this loan of Rs. together with interest thereon at the rate hereinafter mentioned, within a period of years from the date hereof.
3. That we shall every month regularly pay to the Commission interest at the rate of

per cent per annum on the amount of this loan of Rs. from the date hereof till payment.

4. That if we do not utilise the entire amount of loan given under the said deed of hypothecation for the purposes for which the same has been given to us, or if we commit breach of any of the terms and conditions contained in the said deed of hypothecation or if we fail to regularly pay interest then in that event the Commission shall have the option to immediately demand from us the repayment of the entire loan given to us in pursuance of the said deed of hypothecation with interest and we shall, without any objection, on demand by the Commission, repay the same.

Dated this day of 195 .

Signature on one Anna Revenue Stamp.  
Specimen of receipt.



## APPENDIX 6

### Note On Item 5 Of The Agenda : Staff for the State Boards

- (a) Nature and strength of staff to be provided.
- (b) Preference to be given in selection of staff to persons trained in Khadi Gramodyog Vidyalaya and Mahavidyalaya.

1. Some of the State Boards had brought to the notice of the Commission that their financial resources did not enable them to employ necessary staff for carrying out the work which they had to organise and control. This position was already under the consideration of the Commission and sanction had been obtained from Government recently to spend upto Rs. 7 lakhs each year during 1958-59, 1959-60 and 1960-61, for giving grants to State Boards or to State Directorates of Industries (where State Board did not exist) for employing necessary staff for carrying out work in connection with the schemes of the Khadi and Village Industries Commission. In this sanction, the Central Government had stipulated that Government would contribute 50% of the total expenditure on pay and allowances (excluding T.A.) in respect of additional staff employed in the State in connection with the work relating to the development of Khadi and Village Industries. The Commission, however, was doubtful whether this arrangement would work satisfactorily in practice, because the State Boards or even the State

Directorates of Industries might not be able to contribute the remaining 50% of the expenditure. The matter was, therefore, further examined by the Commission and it was felt that the pattern adopted by the Handloom Board for giving similar assistance to State Governments would probably be more convenient. Under the programme of the Handloom Board Government had agreed to sanction grants for organisation expenditure upto 4% of the total funds released by the Handloom Board, limited, however, to the actual expenditure incurred by State Governments on this account. The grants were further subject to the condition that the State Government should furnish to the Board's secretariat monthly statistics of production, sales and stocks of handloom cloth and such other statistical information as might be required by the Board from time to time.

2. The above question was discussed by the Commission at its meeting in June, 1958 and the consensus of opinion of the meeting was that for expansion work minimum administrative staff should be provided to each State Board irrespective of the quantum of funds, i. e. grants and loans, given and that expenditure on ordinary administrative staff should be borne by the State Government concerned. After a general discussion, it was decided that :

- (a) financial assistance to State Statutory



Board for organisational expenditure be given on the lines of the All India Handloom Board i. e. on a percentage basis to be finalised in the State Board Conference.

(b) Such assistance to be paid to each Board in the form of grant-in-aid should be determined in the beginning of the year and should be for the staff for the following items of works :

- (i) Inspection.
- (ii) Audit.
- (iii) Accounting.
- (iv) Collection of statistical data.
- (v) Preparation of progress reports.
- (vi) Framing of rules, regulations, procedures etc.
- (vii) Expert or Organiser for each industry worked in the State; where necessary, grant should also be given for assistants to Experts or Organisers.
- (c) In case of States where the work is on a limited scale or has just been inaugurated a minimum staff is to be given irrespective of the percentage limit.
- (d) The staff in respect of which financial assistance would be given should possess the qualifications prescribed by the Commission.
- (e) The total financial provision involved in the revised pattern should not exceed the one already approved by the Government.

3. Efforts are being made to obtain the approval of Government to the above pattern for giving [required assistance for the appointment of the staff referred to above. Of course the State Khadi and Village Industries Boards are established by the State Governments and they have laid down their functions and responsibilities under the respective Acts. It is therefore, natural that the staff required by the Boards for their Central Organisation should be provided by the State Governments concerned. It is reported that funds have been allotted by some of the Governments to the State Boards for this purpose (as in States of Bombay and Mysore). A portion of the allotment is meant for employing administrative staff required by the Boards. It would be necessary that the State Boards, who do not get such financial help from the Local Government should move in the matter and secure the necessary funds required by them for employing staff in their Central Organisation (viz. Office Secretary and Ministerial staff etc.), because such staff could not be included in the staff for which assistance would be available from the funds of the Commission.

4. The State Boards have agreed to undertake the work of several schemes of the Commission. They would need some staff in connection with the work of such schemes. It is seen from the decision of the Commission mentioned in para 2 above, that the Commission has decided to arrange for grants for the staff and that the assistance required by the State Boards would be estimated at the beginning of each year. The nature of staff for engaging whom assistance would be available according to the above



arrangements is shown in details on P. 134. This includes information on the following points :

- (a) Designation of the posts.
- (b) Nature of duties and responsibilities.
- (c) Pay scales and allowances of the posts.
- (d) Qualifications and experience required for persons to be appointed to the above posts.

It is needless to mention that such staff will be sanctioned only in respect of the schemes which the Boards have already undertaken or propose to undertake during the financial year. The total amount of the grant may not ordinarily exceed 2 per cent of the total amounts of grants and loans advanced to the Boards.

5. It must have already been noticed that the Commission also proposes to arrange for providing funds for employing minimum staff which would be required (under the above pattern) even to new State Boards, which have begun to function only for short periods, and for which large funds for the Commission's schemes have not been already released. The extent to which it is proposed to arrange such assistance is shown in details on P. 138.

#### **Payment of grants for staff**

6. In order to enable the State Boards to proceed with the appointment of the staff for which the estimates of expenditure have been accepted by the Commission, it is proposed that 50% of the estimated amount (for the annual expenditure) would be remitted to the Boards concerned at the

beginning of the financial year. Further amounts would be released after full particulars are supplied regarding the actual staff employed, by the Boards concerned.

#### **Supply of information and periodical reports of progress of expenditure and audit.**

7. The Commission requires information regarding the progress of their schemes and of the utilisation of the funds released by it from time to time. The Commission has to submit such information to Government periodically. It would be necessary that the State Boards should supply the required information in time. Details regarding the nature of information and progress reports and also about the forms in which the statistics would be required are being worked out and would be forwarded to the Boards in due course. The supply of such information and progress reports etc. would obviously constitute a condition for payment of grants for the staff referred to above.

#### **Staff included in the pattern of the schemes of the Khadi and Village Industries**

8. Provision for some staff has been made in the pattern of several schemes for Khadi and village industries and the grants sanctioned for such schemes include funds for this staff. Some of these schemes will be operated by the Boards directly and the staff indicated in the pattern can therefore, be appointed by the Boards from the grants given for such schemes. This schematic staff is excluded from the staff referred to in para 2 above.



**List of Staff which can be placed at the disposal of the Boards which have already undertaken and organised the work of several schemes of the Commission.**

S.No.	Designation of the post.	Scale of pay ( with Central Government allowances in all cases.)
1.	Organiser	Rs. 275-25-500
2.	Accounts Officer	Rs. 275-25-500
3.	Accountant	Rs. 250-15-400
4.	Publicity Officer	Rs. 250-15-400
5.	Statisticians	Rs. 250-15-400
6.	Auditors	Rs. 160-10-330
7.	Assistant Organisers	Rs. 160-10-330
8.	Publicity Assistant	Rs. 160-10-330
9.	Inspectors	Rs. 80-5-120-EB-8-200-10/2-220

**NOTES :** (1) The above statement shows the categories of posts and the maximum scales of pay which can be sanctioned from the funds of the Commission. The number of posts which may have to be sanctioned under the different categories will, however, depend on the extent of work which would be undertaken and organised by the Board subject to the condition that the total ex-

penditure will not exceed the total grant which would be sanctioned by the Commission towards the cost of the above staff.

(2) The scales of pay and allowances indicate the higher limit to which pay and allowances can be sanctioned for each post. It would be open to the Boards, however, to adopt lower scales and allowances for any or all of the above posts if they think it necessary to do so.

(3) The qualifications and duties of the persons to be appointed in the above posts are briefly explained in details on P. P. 135 to 137.

(4) On selecting the staff care will have to be taken that the persons concerned have full faith in the ideology of Khadi and village industries and that they have field experience of a reasonable period. They should also be persons trained in the Mahavidyalayas and the Regional Vidyalayas of the Commission or in the Basic Education Schools. Preference will be given to the above qualifications to other academic qualifications as may be prescribed for the selection of the staff.



**Statement Showing Qualifications, Duties, Responsibilities Etc. Required  
For The Staff Shown In Tables On 134 & 138**

S. No. of the post	Designation	Duties and responsibilities	Qualifications and experience
1.	Organiser (Village Industries)	He would be in the overall charge of the organisation in control of all the work under-taken by the Board in connection with the schemes of the Commission. He will be responsible for ensuring that the work progresses according to the schedule and that the funds are utilised for the purpose for which they are granted by the Commission. He would also be responsible for preparing and forwarding to the Commission progress reports, statements of Accounts, Audited statements of expenditure etc., periodically as required by the Commission.	He should be preferably a graduate with adequate experience of organising and controlling the village industries along with reasonable administrative experience. Comparatively smaller experience, however, would be enough in these cases. He should, however, possess special knowledge of the industries which would be entrusted to him.
2.	Accounts Officer	He would be responsible to ensure that proper accounts are maintained regarding the disbursement of funds given by the Commission and for forwarding the required accounts statement/audited statements of expenditure required by the Commission periodically. He would also have to arrange and control the audit work in respect of the expenditure made by the Board or institution from the funds of the Commission.	The Candidate should be a commerce graduate and should be a A. C. A./R. A. with five years experience in Accounts Department of Government or in large commercial firms.



S. No.	Designation of the post	Duties and responsibilities	Qualifications and experience
3.	Accountant	He will work under the control and guidance of Accounts Officer	The candidate should be preferably a commerce graduate with experience in maintenance of accounts of commercial concerns.
4.	Accountant-cum-Auditor	In the Boards, where the Accounts Officer is not appointed, he would be responsible for the functions and duties enumerated against item No. 2 above.	He must be (1) A. C. A./I. C. W. A. or (2) graduate in commerce with auditing and accounting as special subjects and should have minimum of five years experience of audit and accounts in any Government Department or / and large commercial concerns.
5.	Publicity Officer	The functions of the Publicity Officer would be to collect information from the field, process the same and submit reports to the State Board, on the one hand, and the Commission on the other. He will also prepare pamphlets and brochures in the regional language relating to the industries taken up by the State Boards for development for which the Commission extends financial assistance.	He should have adequate experience and qualifications and must possess an aptitude towards Khadi and Village Industries. Thus he should have at least 5 years journalistic experience in a known newspaper, must be at least a graduate of recognised university, proficient in English and the regional language. Preference will be given to a graduate in Economics with Rural Economics as the main subject of his studies.
6.	Auditor	Same as at S. No. 4	Same as at S. No. 4
7.	Assistant Organiser	He will work under the control and guidance of the Organiser.	Should be preferably a graduate with special knowledge of industries for which he is selected.
8.	Publicity Assistant	He will work under the control and guidance of the Publicity Officer.	He should be a graduate with at least 2 years as a working journalist and should have a thorough knowledge of the regional language, in addition to English and an aptitude towards investigation and reporting.



S. No.	Designation of the post	Duties and responsibilities	Qualification and experience
9.	Statistician/ Statistical Assistant	They would be responsible for collecting and maintaining statistical data required by the Board. They would also have to compile and forward the periodical statistical and other progress reports required by the Commission.	Should be a graduate in Economics with special knowledge of statistical work. Experience in collecting, analysing and compiling data regarding any of the rural industries or rural surveys would be an additional qualification.
10.	Inspector	He will work under the control and guidance of the Organiser/Asst. Organiser, as the case may be.	Should possess educational qualifications equivalent to Matriculation standard and should have preferably undertaken training in the training centres of the Commission.

## Some Recent Publications :-

The Gur Khandsari Industry	Re. 0.25
The Story Of The Handmade Paper Industry	Rs. 1.50
A Hand Book	Re. 1.00
Wealth From Waste	Re. 1.00

Published by :

Khadi & Village Industries Commission,

P. B. No. 482, Bombay 1.



**List showing the extent to which the staff can be placed at the disposal of new Boards.**

S. No.	No. of posts	Designation of the post	Scale of pay (with Govt. of India all owances in all cases).
1.	1	Organiser (Village Industries)	Rs. 275-25-500
2.	1	Accountant-cum-Auditor	Rs. 250-15-400
3.	1	Publicity Officer	Rs. 250-15-400
4.	1	Statistical Assistant	Rs. 160-10-330
5.	3	Inspectors	Rs. 80- 5-120- EB-8-200-10 /2-220
		Auditor	

**Notes :**

1. The above statement indicates the extent upto which the staff can be sanctioned from the funds of the Commission.

2. The scales of pay and allowances indicate the higher limit to which pay, and allowances can be sanctioned for each post. It would be open for the Boards however, to adopt lower scales and allowances for any or all of the above posts if they think it necessary to do so.

3. The qualifications and duties of the persons to be appointed in the above posts have been explained in details on P. 135 to 137.

4. In selecting the staff, preference will have to be given to persons trained in the

Mahavidyalayas, Vidyalyas or training centres managed by the Commission.

5. It would also be necessary to co-opt. the local Zonal Director or Dy. Zonal Director while recruiting persons whose starting pay exceeds Rs. 100 P. M.

**Item No. 5 of the Agenda : Publicity In The States**

The Khadi and Village Industries Commission is anxious that the Statutory State Khadi and Village Industries Boards should undertake implementation of the Commission's schemes for the development of Khadi and Village Industries in their States. It desires that financial assistance for implementation of these schemes should be routed through these Boards which should coordinate activities in the field, arrange for regular reports, etc. The Commission has, therefore, decided that the State Boards should be provided with certain administrative and other supervisory staff.

Effective functioning of the State Boards under the new set up will, however, require publicity and propaganda arrangements. This should include facilities to bring out suitable informative publications in the regional languages. State Boards, including the Director of Khadi of the Madras Government, have submitted proposals regarding their requirements. It is necessary to consider what publicity arrangements should be made and the staff and other financial implications thereof. In this connection the Conference may consider whether



- a. the Commission should provide assistance for Publicity and Propaganda staff on a scale determined by the State Boards ; or
- b. an outright grant should be given to the State Boards for this purpose.

Ordinarily publicity and propaganda for developmental activities within the State should be the responsibility of the State Government which should provide adequate facilities for this purpose. Every State Government has a publicity department under the Director of Information. The Department which is provided with adequate staff, publishes books, pamphlets and periodicals, besides undertaking press publicity. These pertain to the developmental work in the State. Khadi and Village Industries programmes are developmental programmes which benefit the rural population particularly. It should be in the interest of the State Government concerned to cover these programmes in its information and publicity services. With the facilities available to the publicity departments in the States, this function can best be undertaken by these departments. No substantial additional expenditure need be incurred.

But experience of the past years shows that State publicity departments have not done much in this direction, nor have the State Boards been provided with the necessary facilities. The Khadi and Village Industries Commission would invite the State Governments to consider whether these facilities should not be extended to the State Boards and allotment of reasonable funds for the purpose made to them. The

Commission considers that this is a matter entirely for the State Governments to decide and act upon. At the same time, the Commission feels that for certain specified purposes, it should provide for a minimum staff to State Boards and has, therefore, proposed that it would make a grant equal to the amount of the Salary of a Publicity Officer and a Publicity Assistant.

The function of the Publicity Officer and the Publicity Assistant would be to collect information from the field, process the same and submit reports to the State Board, on the one hand, and the Director of Publicity of the Commission, on the other, with a view to publication in the Commission's journals. They will also prepare pamphlets and brochures in the regional language relating to the industries taken up by the State Board for development and for which the Commission extends financial assistance. The publication of such material should be the responsibility of the publicity department of the State Government.

The salary of the Publicity Officer and the Publicity Assistant attached to the State Board may be as follows :

1. Publicity Officer Rs. 250-400 + C.G.A.
2. Publicity Assistant Rs. 160-330 + C.G.A.

These officials should have adequate experience and qualifications and must possess an aptitude towards Khadi and village industries. The Publicity Officer, thus, should have at least five years' journalistic experience in a known newspaper, must be at least a graduate of a recognised university and proficient



in English and the regional language. Preference should be given to a graduate in economics with rural economics as the main subject of his studies. The Publicity Assistant should also be a graduate with at least two years' experience as a working journalist and should have a thorough knowledge of the regional language in addition to English and an aptitude to investigation and reporting.

It should be obvious that this facility will not be available to the Directorate of Khadi under the Department of Khadi of the Madras Government as its activities are treated on a par with those of registered institutions. Ordinarily no funds for publicity and propaganda are given to registered institutions.

If this Conference decides that the Commission should make available these facilities to the State Boards, then the nature of the functions of the Publicity Unit attached to the State Boards will have to be determined.

The following suggestions are made in this regard :

1. If any journal is brought out in the regional language by the State Board, the contents of the journal will be predominantly news reports

about activities within the State in regard to promotion of Khadi and Village Industries Schemes.

2. Information about activities relating to co-operation, handicrafts, social welfare and community development programmes may also be included.
3. Politics should be excluded from its purview.
4. The journal may deal with cottage industries peculiar to the State, but which do not come under the purview of the Commission.
5. In its approach and outlook it should conform to the policy and principles governing the publications of the Commission itself.
6. In regard to publication of pamphlets, they should be adaptations of industry pamphlets published by the Commission or information about the industries concerned in the State.

It will be advantageous to have an advisory Committee attached to the publicity wing. This Committee may be constituted of known constructive workers, economists sympathetic to our cause and prominent journalists. This Committee will meet periodically and discuss the problems and methods of publicity and scrutinise material prepared for publication.



## APPENDIX 7

**Note on Item No. 7 of the Agenda : Content and Periodicity of progress report forms for compilation of statistical data regarding progress of work done.**

The Commission is required to forward to Government a complete progress report every quarter, thirty days after the end of the quarter. To consolidate the reports from all over the country in a proper manner, it is essential that those progress reports of individual agencies are received in the office of the Commission (Economic Research Section) at least 10 days before the prescribed date. To enable the reporting agencies such as : Registered institutions which have direct relation with the Commission, Development Commissioners in charge of work in C. P. Areas and Statutory State Boards, etc. receiving financial assistance from the Khadi and Village Industries Commission to compile reports as required in the proforma ( enclosed ) the following periods are prescribed.

Quar. ter.	Coverage	Date of submission to the Commission
1st	April-May	June 30th
2nd	June-July-August	September 30th
3rd	September-October-November	December 31st
4th	December-January-February Last March *	March 31st April 30 th

2. Besides these, a brief annual progress report reviewing various aspects of the industries should be sent so that the Commission can compile its own annual report for submission to Government and Parliament. This report should be with the Commission *by the end of June every year..*

3. To prepare consolidated quarterly and annual reports as required above, progress of the agencies assisted by the State Board, Development Commissioners must be carefully watched. As financial assistance can be considered by the Commission only in the background of the progress achieved, it will be useful to maintain records from which relevant information can be easily compiled and forwarded. To maintain, scheme-wise, industry-wise progress, month-by-month, the following proforma are suggested for adoption. The details of the proforma are changes required in, they may be finalized in consultation with the undersigned.

\* At special progress report for the month of March may be separately sent as the data for that month may take time to collect.



## APPENDIX 8

**Note On Item 8 : Arrangements for inspection and auditing of the accounts and submission of utilisation certificates by the centres financially assisted by the State Boards out of the Commission's funds.**

Financial assistance extended by the Khadi and Village Industries Board/Commission is in the shape of loans and grants. Before this can be sanctioned, it is necessary for the institutions to submit along with their applications for loans and grants their audited statements of accounts for the previous year in order to satisfy the Commission that the grants/loans asked for are justified by the financial position of the grantee and to ensure that the grant given was spent for the purpose for which it was given and that no unspent balance of grant was lying with the institution. In the case of new institutions it will be necessary to furnish the constitution and bye-laws of the institution, the capital available with the institution, its capacity to implement the programme of the Khadi and Village Industries Commission and particulars of the persons-in-charge of the institution.

2. Where it is not possible to furnish the audited statement of accounts, reasons for the same should be stated and an unaudited statement of accounts should be furnished which may subsequently be followed by proper audited accounts and utilization certificate for the loans/grants received by the institution with as little delay as possible. The institution is also required to furnish along with its appli-

cation, a proforma in the prescribed form showing the working capital available with the institution, loans already taken from the Commission, loans taken from other sources, anticipated production and sales during the period, the necessary capital required for the estimated production and sales for the period and the net capital required by the institution.

3. Loans are generally of two kinds viz. loans for capital outlay and for working capital. Loans for capital outlay are given for purchase of machinery, implements, lands, buildings and similar other permanent assets of a concrete nature. The working capital loan is given for running the industry or for stocking of raw materials and other items. These loans are repayable within a specified period according to the terms of sanction. According to terms of the Loan Rules, loan is to be utilised for the specific purpose for which it was sanctioned. If any loan is not utilised for the purpose for which it was sanctioned within one year of its receipt the whole of it is required to be refunded with interest. At the end of the first year and every subsequent year during the currency of the loan, the borrower has to satisfy the Commission that the loan has been utilised for the purpose for which it was sanctioned. It is necessary, therefore, to furnis



utilization certificate every year to the Commission. It should be verified that the loan granted towards capital outlay is used for the purpose of purchasing the asset for which it was sanctioned. In the case of working capital, it has to be seen that the institution has within 12 months of the grant of the loan achieved the target of production and sales at the rates shown in the prescribed proforma for the purpose of computing the basis of loan sanctioned to the institution.

4. Generally in the case of grants, one of the conditions of sanction is that the unspent balance in the grant at the close of the financial year should be refunded. An exception has been made to the Board/Commission according to which grants are allowed to be utilised within a period of 12 months from the date of issue of cheque. In cases where unspent balances are utilised by mistake in subsequent years, the amount and the reasons and justification for utilising the same in the subsequent year should be furnished and a fresh sanction obtained for allowing the use of unspent balance for utilisation for purposes other than those specified in the terms and conditions of sanction. The amount so diverted being inadmissible, will have to be refunded to the Commission immediately.

5. The Government of India have called for expeditious submission of separate utilisation certificates in respect of loans and grants given to State Boards and other Institutions from the very inception. The utilisation certificate is a form of statement containing details of the amount of loan or of grant given for meeting certain items of expenditure and the amount actually utilised

for the said purpose within a specified time. (This does not, however, relate to Re.0-3-0 rebate, production/sale subsidy and other subsidy for which separate procedure has been laid down). The form of utilisation is attached here with. This form is self-explanatory.

**(a) Utilisation certificate for loan (Capital outlay)**

The amount of each loan received by the Institution, the amount utilised out of the said loan according to the terms of the sanction and the balance left unspent at the end of one year counted from the date of receipt of loan will have to be indicated along with other relevant information as per columns provided in the form and the certificates noted thereon are to be signed by the head of the institution concerned.

Regarding working capital loan, a certificate of utilisation should be given supported by the turnover of the institution in respect of production and sales.

**(c) Utilisation certificates for grants**

Similar utilisation certificates will have to be given for each grant both under Khadi and Village Industries.

Unspent balances of grants and loans will normally have to be refunded to the Commission after the expiry of the prescribed time limit.

These utilisation certificates must be obtained by sending auditors to the institutions to which the funds have been given by the respective State Boards, in case they have no qualified auditors.

6. It is requested that a comprehensive yearwise statement upto 31.3.57 may be furnished by the State Boards indicating the grants/loans received by them from Khadi and Village Industries Board / Commission



and the disbursements made therefrom by the State Boards in their turn, to different institutions. The utilisation certificate is also to be accompanied by an account or accounts of the grants/loans etc. on the form duly audited and certified as correct by a qualified auditor or an auditor of the Co-operative Department or the auditor of the Indian Audit and Accounts Department etc. The grants or loans which have been distributed among different institutions, audited accounts and utilisation certificates in respect of such grants/loans from all these institutions will have to be called for from the respective institution and made available to the Commission whenever required.

7. Incidentally, it may be mentioned that the Internal Audit Parties now functioning under the Commission have been appointed only to inspect the account of institutions which have received loans / grants directly from the Khadi and Village Industries Board/ Commission and it will not be possible from them to undertake this work in regard to the aid given by the State Boards to institutions in their respective regions. This will have to be arranged for by the State Boards themselves for which purpose it may be necessary for them to appoint qualified auditors as indicated above for similar audit and submission of utilisation certificate of the institutions under their jurisdiction who have no facility or cannot afford to have the services of qualified auditors.

8. In order to assist the State Boards in obtaining the necessary utilisation certificates from the institutions, along with other details, the Commission proposed to aid the State Boards to enable them to meet the charges that may be incurred in engaging the audit and accounts personnel required. The amount may be given to the State Boards the beginning of the year (renewal from year to year) provided the Commission is satisfied about the proper functioning of such staff. Broad details and conditions of the proposed aid are as under :

The candidate should be preferably a Commerce Graduate with experience in

maintenance of accounts of Commercial concerns. The salary attached to the post may be fixed by the State Board and shall not exceed the scale of Rs. 80-5-120-8-200-EB-10/2-220 plus C. G. A.

This U. D. C. will help in maintenance of accounts and statistics relating there to in respect of the funds of the Commission given to the State Board and will look after the office work of the Internal Audit Staff. He will also ensure that necessary copies of allotment letters issued by the State Board while making payment to the institutions are sent to the Commission. In addition monthly reports of disbursements and other particulars and statistics that may be required by the Commission will also be sent by him.

#### **Internal Audit Staff :**

One Accountant and two auditors. The Accountant must be a qualified ACA/RA with two years experience of audit and accounts in large commercial concerns.

The salary scale shall not exceed the scale of Rs. 250-15-400 plus allowances under the State Governments concerned.

Auditors must be 1) ACA/ICWA or  
2) Graduate in

Commerce with auditing and accounting as special subjects and should have minimum of five years experience of audit and accounts in large commercial concerns. The salary scale will not exceed 160-10-330, with State Government allowances.

In selection of the Internal Audit Staff, an Officer of the Khadi and Village Industries Commission (Head Office) shall be associated.

Instructions in regard to audit will be issued to the State Boards from time to time in the light of orders of the Government of India.

The implementation of this proposal by the Commission is likely to take some time. In the meantime the State Boards may kindly make urgent arrangements for submission of the utilisation certificates in respect of loans and grants received by them upto 31-3-57 on the lines indicated in para 7 above.



# UTILISATION CERTIFICATE

Name of the Institution :

Registration No.:

Station:

Date:

The following amount of loan/grant was received by this Institution for the development of the Industry as noted below :

[illegible]

\* Indicate the unspent balance as on expiry date of the utilisation period of 12 months, vide Note 3 overleaf and enter that date.



1. It is certified that the above items have been brought to the account of the Institution.
2. Expenditure as detailed in the enclosed statement has been incurred during the period from                      to against the above funds.
3. It will thus be seen that the money given by the Khadi and Village Industries Commission detailed above has been utilised for the purpose for which it was given and in conformity with the conditions and the scales prescribed in that connection.

OR

It will be seen that only Rs.                      has been utilised in accordance with the scales and the balance of Rs.                      which was not utilised for the purpose for which it was given has to be refunded by this Institution to the Khadi and Village Industries Commission.

ACCOUNTANT/AUDITOR

SECRETARY/PRESIDENT OF THE  
INSTITUTION

- N. B.** 1) A separate utilisation certificate for *each* grant/loan will be given.
- 2) Utilisation certificate will be supported by yearwise statement of expenditure detailing particulars of amounts spent under various heads such as machinery, materials, labour and salary etc. duly signed by the Officer-in-Charge of the Institution.
  - 3) In case of loans given from 53-54 onwards and in case of grants given from 56-57 onwards the amount actually utilised within a period of *12 months* from the date of payment should be indicated separately in the remark column.
  - 4) It will be appreciated if the statement of expenditure furnished in support as Utilisation Certificate is authenticated as correct by qualified auditor i. e. a C. A. or an Auditor of the Registrar of the Co-op. Society. In its absence the accounts may have to be checked by the Internal Auditors of the Commission.
-



## APPENDIX 9

**Note On Item 9 Of The Agenda :** To consider how to meet loss incurred, if any, by a State Board in implementing any of the Schemes of Khadi and Village Industries direct.

The loans given to State Boards for implementing Khadi and Village Industries in their jurisdiction are in turn disbursed to the institutions running the Khadi and Village Industries in the various centres within the limits of the State Board. The majority of the loans given are of two types viz. :-

- i) Loans given for capital outlay and
- ii) Loans given for working capital.

1) Loans given for capital outlay are intended for the acquisition of assets such as plant and machinery, building, tools and implements. etc. which are of a concrete nature. The assets acquired out of the loan given for capital outlay will, therefore, be treated as security to ensure the repayment of the loan in due time.

2) Loans given for working capital are generally for the purpose of acquiring raw materials and stores required for production and sale purposes and for carrying on trading operations. It may so happen that the institution may suffer losses owing to heavy accumulation of stock which may become unsaleable due to slump in the market as a result of trade depression or deterioration of the materials by efflux of time necessitating thereby reduction

in sale prices which will entail losses. Owing to these factors there may be losses which the institution may not be able to recoup and which will consequently entail write off of some portion of working capital. When that particular institution is closed or liquidated the State Board may not be in a position to realise from the institutions and the State Board may not be in a position to repay to the Commission a portion of working capital loan on account of the losses suffered by the institutions as pointed out above.

With a view to help the State Board in this respect, the Commission has approached the Government to give assistance to the State Boards and parent bodies or bigger institutions to the extent of 10% of the maximum ceiling of loans advanced to them by the Commission for the purpose of relending to smaller institutions on the following terms :-

a) the guarantee would apply only for loans given for working capital and for stocking of raw materials.

b) the parent bodies viz. State Boards, State Governments, Federations and major institutions should be allowed to relend out of the Commission's funds to only those agencies as are eligible under the Khadi



and Village Industries Commission Loan Rules.

c) the parent bodies should not be permitted to reloan from out of the recoveries effected from smaller institutions.

It is also suggested that the State Boards should get from State Governments yearly grants for meeting contingent liabilities for creation of capital of State Boards concerned.

---

## Wealth From Waste

- |   |  |                    |
|---|--|--------------------|
| 1 | MINIMUM PER CAPITA NUTRITIONAL FAT NEEDED                      | : 2.00 Oz. Per Day |
| 2 | MAXIMUM AVAILABLE AT PRESENT                                   | : 0.35 „ „         |
| 3 | OILS AVAILABLE FOR EDIBLE PURPOSES                             | : 11,00,000 Tons   |
| 4 | EDIBLE OILS USED FOR INDUSTRIAL PURPOSES                       | : 1,68,000 Tons    |
| 5 | TOTAL NON-EDIBLE OIL WEALTH IN THE COUNTRY                     | : 1,50,000 Tons    |
| 6 | RELEASE OF EDIBLE OILS FOR NUTRITIONAL PURPOSES                | : 1,50,000 Tons    |
| 7 | ADDITIONAL PER CAPITA CONSUMPTION OF EDIBLE OILS MADE POSSIBLE | : 10 Per Cent      |

**NON - EDIBLE OIL SOAPS  
HELP**

**BUILD HEALTH of the NATION**

Read the book on the subject : Price Re. 1.00

---



**Progress Report for the quarter ending**

Name of the Reporting agency : Institution / State Board / Development Commissioner

Name of Industry :

Address :

Receipts &amp; Expenditure

Balance											
Receipts						Expenditure					
Sehemes and purpose	Upto end of previous quarter	During current quarter	Upto end of current quarter	Upto end of previous quarter	During current quarter	Upto end of current quarter	Upto end of previous quarter	Upto end of current quarter	Upto end of previous quarter	Upto end of current quarter	Remarks (Reasons for shortfalls etc.
Grants											
1.											
2.											
3.											
4.											
Total											
Loans											
1.											
2.											
3.											
4.											
5.											
Total											



## 2. Construction Phase

	Upto end of previous quarter	During current quarter	Upto end of current quarter	Remarks
i) No. of production units sanctioned (by type)				
a)				
b)				
c)				
ii) Improved equipment distributed (by type)				
a) No.				
b) Cost Rs.				
c) No.				
Cost Rs.				
iii) No. of training units (by type)				
a)				
b)				
c)				
iv) No. of candidates				
a) Admitted				
b) Discontinued				
c) Trained				
d) Under Training				







		Upto end of previous quarter	During current quarter	Upto end of current quarter	Remarks
<b>B. Sales &amp; Value (by variety)</b>					
	variety	Unit			
i)		Qty. Value Rs.			
ii)		Qty. Value Rs.			
<b>5. Employment</b>					
Full time	No.				
Wages paid Rs.					
Part time	No.				
Wages paid Rs.					
Casual	No.				
Wages paid Rs.					
<b>6. Working Agencies</b>					
Directly by Board					
No. of units					
Registered Institution No.					
No. of units					
Co-operative Societies No.					
No. of units					



Month \_\_\_\_\_ 19\_\_\_\_

## Address

153



**Address:**

Month

**\*Category-wise production & Sales to be taken**

Specify the type of centre, for example, production centre A, B, C in Soap or Big, small, medium as in Handmade Paper Industry.



# KHADI & VILLAGE INDUSTRIES BOARD

Constituted under Clause 10 of the Commission Act

## MEMBERS

1. Shri Vaikunth L. Mehta (Chairman)
2. „ Dhwaja Prasad Sahu
3. „ Dwarkanath Lele
4. „ G. Venkatachalapathy
5. „ Jhaverbhai Patel
6. „ Raojibhai N. Patel
7. „ Satish Chandra Das Gupta
8. „ Vichitra Narain Sharma
9. „ T. S. Gokhale
10. „ V. V. Jerajani
11. „ A. P. Choudhri
12. „ Shriman Narayan
13. „ M. Somappa
14. „ Pranlal S. Kapadia
15. „ R. Srinivasan
16. „ Chaganlal N. Joshi
17. „ R. S. Hukkerikar
18. „ S. R. Nagappa Setty
19. „ A. Chidambara Reddy
20. Dr. Gopichand Bhargava, and
21. Shrimati K. P. Madhavan Nair



The Commission shall ordinarily consult the Board with respect to the discharge of its functions under the Act.

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“ I claim that the Bhoodan movement has made some contribution to maintaining social amity and goodwill. It is a force for peace and goodwill. Some revolutionaries blame us for side-tracking the show-down they were working for. They call us reactionaries. I do not believe in a bloody revolution. It is like some of the modern medicines on typhoid. They bring down temperature immediately, but the patient loses all strength. A bloodless revolution cures the disease and makes the patient strong. Lokmanya has said that violent remedies do not bring a lasting cure. Bhoodan and Gramdan have wonderful potentialities. They can usher in new freedom and security for all ”.

**-VINOBA**

Edited and Published by C. K. Narayanswami, Director of Publicity, Khadi and Village Industries Commission, Mistry Bhavan, Dinsha Wacha Road, Bombay—1, and Printed by him at “Trend Printers,” Swadeshi Mills Estate, Girgaon, Bombay 4.





सर्वे दुःखतापानाम् ।  
नाम आर्तिनाशनम् ॥



# KHADI GRAMODYOG



**KHADI & VILLAGE INDUSTRIES COMMISSION.**  
MISTRY BHAVAN, DINSHA WACHA ROAD, BOMBAY-1.



# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

## MEMBERS

- |                           |           |
|---------------------------|-----------|
| 1. Shri Vaikunth L. Mehta | Chairman  |
| 2. Shri Pralal S. Kapadia | Secretary |
| 3. Shri R. Srinivasan     |           |
| 4. Shri Shriman Narayan   |           |
| 5. Shri Dwarkanath Lele   |           |

## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and imple-ments and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries.
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certi-ficates to producers of or dealers in, khadi or the p oducts of any village industry.
  - i. to carry out any other matter which may be prescribed.



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KHADI & VILLAGE INDUSTRIES COMMISSION

BOMBAY-1.

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_



# KHADI—GRAMODYOG

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VOL. 4

SEPTEMBER 1958

NO. 12

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## THE TEXTILE INQUIRY REPORT

The problems of the organised cotton textile industry which engaged the attention of the Textile Inquiry Committee, the report of which has been recently published, have little bearing on the main task before those who are associated with the development of the Khadi industry. But since, in June, 1956, an attempt was made, for the first time, to formulate a common production programme for cotton cloth, some aspects of the Committee's findings and recommendations have an interest for us also.

Prior to the formulation of the programme, representatives of the organised industry urged with vehemence that the industry should be permitted to expand its productive capacity so as to meet the rise in demand during the period of the Second Five Year Plan, which it estimated on the basis of requirements of the order of 22 to 25 yards of cloth per head at the end of 5 year period. Their interested plea had apparently some weight then with the Ministry of Commerce and

Industry, since a Joint Secretary of the Ministry and the Textile Commissioner who were members of the Village and Small Scale Industries (Karve) Committee induced themselves, to append a minute of dissent to the Report of the Committee arguing that the per capita demand should be assessed at 20 yards instead of 18.5 yards as estimated by the rest of the Committee.

The Central Government, when announcing their cotton cloth policy, however, accepted a demand of 18.5 yards as the basis of their calculations. During the two years that have elapsed since that policy was announced, the growth in demand has been found to be so slow that, after a close examination of the position, the conclusion of the Textile Inquiry Committee is that the nation's requirements for cloth should be fixed now on the basis of a lower per capita demand of 17.5 yards. If until recently the organised textile industry was faced with the problem of accumulating stocks, it is obvious that it has itself to blame since it went on



increasing the volume of production on a basis that had no scientific backing.

In meeting the aggregate requirements for cloth, there may be a reduction in the share contributed by the handloom weaving section. During the last two years, the Committee points out, increase in the production of handloom cloth, has not been on a scale which would make it possible for production to reach the level of 2,200 million yards at the end of the Plan period. It did not lie within the terms of reference of this Committee to inquire into what positive steps had so far, been taken by the All India Handloom Board and its counterparts in States – all advisory bodies – to plan in graduated stages for the requisite quantum of increased production. In a pamphlet, published sometime back, Shri M. Somappa a prominent member of the All India Board drew attention to the difficulties in respect of credit and marketing that impeded progress. A determined effort must be made to surmount these difficulties before any action is taken to reduce the scale of contribution that the handloom industry is expected to make to the common pool of cloth production.

No reference is made in the Report to the production of handloom cloth with the aid of Ambar Charkha yarn that was part of the planned programme. That part of the programme is being examined separately by Planning authorities. Before the cloth policy was announced, there was considerable

discussion about whether for the increased demands of the handloom industry there would be an adequate supply of yarn. Here, again, the organised industry overestimated the demand and vehemently pleaded for the increasing of the spinning capacity of mills by the installation of spindles in addition to those for which licences had already been issued. Disagreeing with the view of the other members of the Karve Committee, the official members supported this interested plea on premises which are now shown to have been ill-founded.

The supply of mill yarn has actually grown during the two years, at a pace which outstrips the capacity of the handloom industry as now organised to absorb the yarn. The surplus cannot be negligible, since one of the recommendations of the Committee is that freedom to export mill yarn may be granted under certain conditions. The release of yarn for export purposes will not, according to the Committee, have any adverse effect on the needs of the handloom sector. It is because the position is easy that the Committee recommends that where spindles have not been installed against licences granted heretofore, the licences should be withdrawn after examination. In this sphere, again, the experts of the Ministry are seen to have been mistaken, along, of course, with the spokesmen of the industry whose views can, however, be understood as special pleading.

—**VAIKUNTH L. MEHTA**

## EMPLOYMENT IN VILLAGES

A meeting of the Khadi and Village Industries Board was held in Bombay on

September 4, to consider the progress made in the implementation of schemes and



programme pertaining to the activities under its purview, and discuss other organisational matters placed before it.

Shri Vaikunth L. Mehta, who presided, revealed that the employment in Khadi and Village Industries had increased by leaps and bounds during the last five years so much so that at the end of March, 1958, about 18 lakhs of persons were employed in these industries. Of this more than 11 lakh artisans were engaged in the production of traditional Khadi, about 2 lakhs under the Ambar Charkha programme and over 5 lakhs in the different village industries.

#### **Production And Sale**

Shri Mehta said that the production of Khadi in the year 1957-58 had likewise shot upto the figure of 10.2 crores of rupees from 1.3 crores in 1953 when the Khadi Board took over the work. Similarly Khadi sales had gone up to Rs. 10.33 crores. Of this Khadi worth Rs. 1.11 crores was supplied to the different Government Departments. Orders for supplying nearly 16 lakh yards of Khadi had been received so far for the current year. Of this about 7 lakhs yards had already been supplied.

#### **Report**

Reviewing the work done during the last three months since the Board met in Pandharpur, Shri Vaikunth L. Mehta referred to the conference of the representatives of the State Boards in Poona held in the last week of July and the important decisions taken by it. The Chairman alluded to a conference of the Akhil Bharat Sarva Seva Sangh, addressed by Shri Vinobaji in

Chalisgaon. Shri Pranlal S. Kapadia, Member-Secretary of the Khadi Commission and Shri Dwarkanath V. Lele, Member-in-Charge, Khadi, took part in the deliberations of the conference which discussed, among other subjects, methods to reorientate the work in the field of Khadi and village industries. Shri Mehta also referred to the discussions of the Khadi Commission with the Ministry of Commerce and Industry and the Planning Commission on the Ambar Charkha Programme and its financial requirements for the current year and during the remaining period of the Second Five Year Plan. In this context the Chairman referred to the appointment of Shri Shriman Narayan, Member of the Khadi Commission, on the Planning Commission,

The Chairman further said that a Khadi and Village Industries Emporium would be opened in Bangalore on Gandhi Jayanti Day i. e. October 2, and all the necessary arrangements for the same were nearing completion. The Board was also apprised of the decision to organise a Khadi and Village Industries Exhibition in Nagpur in the month of January, 1959. Shri V. V. Jerajani, Member-in Charge of Exhibitions and Sales Promotion, had already gone ahead with the arrangements. Shri Dindayal Gupta, Chairman of the Bombay Village Industries Board, was collaborating with him on a committee to organise the exhibition. Shri Dindayal Gupta also attended the meeting of the Board on invitation. The other important information that Chairman gave to the Board referred to the setting up of an Information Bureau in Delhi. The Bureau



would supply information, facts and figures about the activities and programmes of the Khadi and Village Industries Commission to all who desired it, especially to the Members of Parliament. Shri Shri-man Narayan and Shri Jhaverbhai Patel would give a final shape to the decision.

### **Vandalism In Gujarat**

The Chairman then referred to the recent disturbances in Ahmedabad and other places in Gujarat, and said that unruly mobs had indulged in burning and looting of Khadi Bhandars in several places. Deploring such incidents, Shri Mehta touchingly said that, apart from loss to public property, such incidents severely hurt a sacred cause – the cause of helping the poor people of the villages whose products were marketed in these Bhandars. It was estimated that Khadi stocks worth nearly Rs. 3 lakhs had been destroyed during the disturbances. Shri Mehta especially referred to a Bhandar run by Shrimati Indumati Chimanlal, an old constructive worker of Ahmedabad. Such acts of vandalism were committed in Dabhoi and Baroda also. Shri Raojibhai Patel apprised the Members of the Board that some Bhandars in Nadiad and Anand were also the targets of mob fury and suffered losses.

### **Public Trusts**

The Khadi Board noted with concern the statement of the Chairman and expressed its regret over such incidents. It expressed the view that as the Khadi Bhandars were the poor man's sales organisation and served the cause of removing poverty and unemployment amongst

the most disadvantaged and under-privileged sections of the people in the countryside, they would be treated as public trusts and would always be protected from such acts of vandalism and wanton destruction.

### **Wool And Silk**

The Khadi Board also discussed the working of programmes with regard to the wool and silk industries under the Khadi and Village Industries Commission and their overlapping with the working of the programmes of Silk and Handloom Boards. It was decided that the Khadi Commission would pursue the matter with the Ministry, Chairmen of the two Boards and the Textile Commissioner. During the discussion on this point it was pointed out that the Khadi Commission could not recommend the use of power for carding of wool. Shri Somappa informed the Board that the Handloom Board had also discarded it.

### **Field Staff**

Some points referred to it for consideration by the Poona Conference were also discussed by the Board. The representatives of the Bombay and Orissa Boards participated in the discussions. Shri Sitaramayya, the Chairman of the Orissa State Board, who had been specially invited to the meeting to discuss the points raised by his Board, referred to the difficulty of his Board in meeting the expenditure of the expanding programme especially with regard to the propagation of Ambar Charkha. He enquired whether it would be possible for the Khadi Commission to provide funds for the additional staff, say workers on the village level,



acquainted with accounts and knowing the local language to supervise and assist village units. This subject was referred to the Commission for its decision.

### **Minimum Wages**

During this discussion, a point about giving some guarantee about minimum wages or giving some sort of incentive to the spinners and thereby attract people to the Ambar Charkha, was raised. In this context it was revealed by Shri Dhawaja Prasad Sahu that in Bihar a practice of giving 8 annas per day only for the first month of training to the landless labourers was being followed. It was discussed whether this could be followed in other States. This question was referred to the Commission for its consideration.

### **Use Of Power**

The most important question that came up for discussion was the use of motive power in Khadi and village industries. It was felt by all that the time had come when the Board should lay down a clear-cut policy and principles underlying it. Shri Jhaverbhai Patel referred to some non-edible oilseeds containing very little percentage of oil, whose crushing in ordinary ghanis was not only uneconomic, but also impracticable. It, therefore, necessitated the use of power. The Board also took note of a letter to the Chairman of the Khadi Commission from the Adviser, Palm Gur Industry, regarding the use of power-driven centrifugals for the production of sugar from neera.

### **Committee To Report**

It was pointed out by Shri Pranal S.

Kapadia that the guiding principle which had to be kept in view was that use of power did not result in displacement of labour or more capital expenditure. Different points of view were expressed during the discussion.

The Board, therefore, asked a two-man committee consisting of Shri Vichitra Narayan Sharma and Shri Jhaverbhai Patel to consider the question and formulate the principles which should govern the use of power in Khadi and village industries and present them for consideration of the next meeting of the Board in November. The Board also discussed the question of protection for oil ghanis, raised by Shri Raojibhai Patel. Shrimati P. Johari, Deputy Secretary, Ministry of Commerce and Industry, pointed out that this subject did not come under the Industries Development and Regulations Act of the Centre. Regarding this it was suggested that States should accord protection under the Essential Commodities (Control) Act and the Commission was asked to take the matter up with the different State Governments.

### **Evaluation Committee**

The Board received the report of the Evaluation Committee on the working of the Intensive Area Schemes. Shri Vaikunth Mehta here referred to the decision of the Poona Conference for the appointment of an internal committee of the Khadi and Village Industries Board to evaluate the working of village industries schemes in the States. He said that the Khadi Commission had appointed another Committee to evaluate the Cottage Match Programme under the Chairmanship of Shri R.S. Hukkerikar. The Board agreed that the time had



now come to undertake such evaluation and constituted an Evaluation Committee comprising of Shri R. S. Hukkerikar, Shri Chaganlal Joshi, Shri Annada Prasad Choudhri, Shri T. S. Gokhale, Shri S. R. Nagappa Chetty and the Director of Economic Research to assess the working of the programmes and schemes of the village industries in various States and submit its report to the Board. Shri Annada Prasad Choudhri and the Director of Economic Research were appointed respectively the Chairman and the Convenor of the Committee.

### **Delhi Exhibition**

Another important question that was discussed was the organising of a Khadi Sales Depot in the India 1958 Exhibition to be held in Delhi. The consensus of opinion was that it was not the policy of the Commission, on the basis of accepted principle, to allow sales of Khadi through our agency or any other institution, where other mill made fabrics were also exhibited and sold. At this exhibition the Commission would

have a show room in which Khadi samples and readymade garment would be exhibited. If the visitors took a fancy for any particular article, he would be advised to purchase it from the Delhi Bhavan. Only in exceptional cases, especially in the case of foreign visitors, the articles would be supplied in their homes.

### **Export Of Khadi**

The Board also discussed the question of promotion of exports of Khadi and other products of village industries to other countries. In this context it was pointed out Khadi was already being exported to various countries and was a source of earning valuable foreign exchange for our country. It was decided that genuine importers from other countries where a good market existed for Khadi could be supplied their requirements, but the usual rebate of 3 annas per rupee could not be allowed on export Khadi.

The meeting of the Board which commenced at 1 p.m. concluded its deliberations at 6. p. m.

(Jagriti ; 11-9-58)



# MUSINGS OF THE MONTH

( By THE EDITOR )

On another page we publish a statement from Acharya J. B. Kripalani. Acharya Kripalani is the Managing Director of the Gandhi Ashram, Meerut. His statement purports to be a reply to certain comments which appeared in these columns in May, and an explanation of the circumstances in which the Gandhi Ashram took the decision to stop production and distribution of Ambar Charkhas for the time being.

Let us at the outset make it clear that our comments were not made in any spirit of disparagement or carping criticism. Among the institutions engaged in Khadi production and sales, the Gandhi Ashram, Meerut, occupies the place of pride. We said this much in our comments. As for Acharya Kripalani, he needs no introduction to the Khadi world. Among the earliest associates of Mahatma Gandhi, Acharya Kripalani has played a unique role in the promotion of Khadi production and its propagation in the country. He was among the founders of the Gandhi Ashram and has, despite his political and other pre-occupations, taken a keen interest in the development of the Ashram's activities. His application to work, his drive and tenacity of purpose are well-known. Through fair weather and foul he has steered the Gandhi Ashram to the position it occupies today among the institutions engaged in Khadi work in the country. There can, therefore, be nothing but praise for the Ashram and for its chief, Acharya Kripalani. His statement and the reasons he advances in support of the

Ashram's decision, therefore, compel careful study and examination.

## Our Comment

This is what we wrote in May last :

'The discovery of the Ambar Charkha, however, introduced a new and hopeful element and the prospect of decentralised production of yarn and cloth looked brighter. When the Ambar Charkha Programme was mooted, these institutions were looked upon as ready-made field agencies through which the programme could be implemented. Their vast experience, background of dedicated service and live contact with village people and village problems, it was considered, would be helpful in the speedy introduction of the programme on a large and wide scale. It was also hoped that, as the programme gathered in momentum, these institutions would be able to switch over their organisation to meet the needs of the programme and turn out enough number of trained personnel to man and prosecute it. Indeed, the enthusiasm and readiness with which they welcomed the Ambar Charkha induced the former All India Khadi and Village Industries Board to formulate an ambitious programme . . . When the Government of India accepted in the middle of 1956 the Ambar Charkha Programme as part of the cloth production programme in the country and allotted to it the manufacture of 300 million yards of Khadi by the end of the Second Plan Period, there were expressions



of disappointment from these institutions. The energy with which they started Ambar work and fulfilled the targets set for Parishramalayas, Saranjam Karyalayas and other operational arrangements, raised such high hopes that not only the target of 300 million yards of Khadi will be reached, but it will be exceeded by a long margin. But the experience of the last two years revealed certain inadequacies of organisation which posed the question whether these institutions alone could carry to success even the limited Ambar Charkha Programme . . . . .

It is not, therefore, surprising when Acharya Kripalani announced in New Delhi that the Gandhi Ashram, Meerut, "has decided to stop further production of Ambar Charkhas for the time being". The Gandhi Ashram is a giant among the Khadi institutions of the country. Its area of operation is extensive in Uttar Pradesh and goes far beyond. The Gandhi Ashram, perhaps, produced the largest quantity of Khadi in the country. In undertaking the Ambar Charkha Programme it was foremost in the line and took over a large-a very large-slice of it. It set up Saranjam Karyalayas to manufacture Ambar Charkhas and distributed in the State about 40,000 of them. Everything seemed to go fine. But the decision announced by Acharya Kripalani throws a new light on the situation. The reasons advanced by Acharya Kripalani in support of the decision of the Gandhi Ashram, however, are not very convincing.

Inquiries carried out by the Khadi Commission in Uttar Pradesh have shown that the Gandhi Ashram has not been able to provide field service arrangements and other technical personnel to keep pace with the momentum created by the Ambar Charkha Programme, on the one hand, and organise field technical assistance service on a scale that its Khadi production expansion activities demanded, on the other. It is possible that Acharya Kripalani has taken cognisance of these disturbing factors and wants time to correct the organisational imbalance and consolidate the ground already covered. Viewed from this angle, the decision of the Gandhi Ashram is understandable and even welcome. . . .

One of the major impediments to the expansion of the Khadi production programme is that the Khadi institutions including the Gandhi Ashram, have not moved fast enough with market conditions and requirements. They have continued to carry on the Khadi work in the same old way and have not given due attention to market research, marketing techniques, consumer tastes and quality control. The need for these has been recognised and where steps have been taken, the results also have been good. It is here that the Khadi-Gramodyog Bhavans play an important role. They should be live links between the producers and consumers and act as clearing houses of market information and needs".

### **No Aspersion**

From what is quoted above, it will be



evident that our purpose was only to indicate what direction the present Khadi production organisation needs reorientation. There was no aspersion made, nor was any intended against the workers of Gandhi Ashram or any other institution. That these workers are dedicated servants of the constructive programme adumbrated by Gandhiji is well-known and is recognised. But for their devoted service what has been achieved during these years in the field of Khadi work would have been impossible of achievement. Even to-day they constitute the backbone of the movement and without their active cooperation and participation much head-way cannot be made. It was with their support that the Ambar Charkha Programme was undertaken by the Khadi and Village Industries Commission and it was also at their instance that the targets were fixed. At the time, perhaps, adequate thought had not been given to the nature of organisation that would be required to carry out the Ambar Charkha Programme. The decision of the Gandhi Ashram is evidence of this.

### **His Problems**

The points that Acharya Kripalani makes may be summarised as follows :

1. The emporium in Delhi has deprived the Ashram of the possibilities of expanded sales in their biggest market.
2. Several State Governments have their own special agencies for the production and sale of Khadi. In U. P., the Ambar Charkha has been introduced in Jail. The authorities instead of paying 13 nP., are paying only one paisa per hank.
3. A substantial portion of increase in

Khadi sales in recent years has been due to purchase by Government whose agencies insist on the same standardisation in Khadi as in mill cloth. This is impossible to achieve,

4. Government supplies are an uncertain and fluctuating market.
5. Schemes for self-sufficiency in villages have to be expanded. This calls for trained and influential workers. Hence efforts at commercial production can only be limited
6. In the mill sector, the industry is not concerned with organisation and sales. In Khadi, however, all the processes of production – from distribution of cotton to the finishing of the goods and making them ready for the market as also organisation of wholesale and retail sales – have to be undertaken by one and the same organisation. This results, among other difficulties, in locking up a good deal of the capital.
7. The Khadi and Village Industries Commission should take up the responsibility for marketing of all the khadi produced. If this is done, Gandhi Ashram will be able to increase Khadi production indefinitely.
8. Introduction of the Ambar Charkha has not resulted in the expected reduction of the price of Khadi.
9. Distribution of the conventional charkha has been proceeding apace. The poor in the villages especially in drought and flood areas find it more economical and convenient to ply the old charkha.



10. The introduction of 40,000 charkhas and usual rate of increase in the distribution of conventional charkhas has created the problem of accumulation of stocks.

### **We Can't Accept**

The points made by Acharya Kripalani are understandable and the difficulties these create can be appreciated. But every problem and every difficulty will have to be tackled courageously and with imagination. With the wide introduction of Ambar Charkhas there should not necessarily be an expansion in the distribution of conventional charkhas. As Gandhiji often said about the Charkha, it is the office that is assigned to the Ambar Charkha that will determine its importance. Acharya Kripalani says : "Khadi can spread only in a limited way even as solvent of our colossal unemployment, unless Government are willing to help it in the spirit in which it was conceived by the Father of the Nation, not in terms of conventional economic ideals, but in human terms."

We do not accept the premise advanced by Acharya Kripalani. If Khadi cannot provide an effective solution to the colossal unemployment and under-employment problem in the countryside, Khadi loses much of its appeal to the country. Even the Father of the Nation conceived the revival of the charkha as a solvent to the problem of poverty and unemployment in the country. At the time when the Khadi movement took shape and assumed organisational forms, the country was engaged in National Struggle for Freedom against alien domination. The alien Government was antagonistic to the Khadi Movement

and, therefore, its progress or expansion could only be limited. Even then, Gandhiji was in the look out for an improved charkha working on which would give to the hand spinner a reasonable living wage. Did he not for this purpose announce a reward of one lakh of ruppes for the invention of such a charkha?

### **Some Questions**

In the Ambar Charkha we find an instrument of the type he was after. Should it not, therefore, be the duty of all of us who believe in the Charkha and in Khadi to make the use of the improved instrument as universal as possible or should we look on it only as another charkha which can be introduced alongside the conventional charkha whose productivity does not ensure – and has not resulted over these years – a living wage to the spinners. Is it not a fact that because of this factor, handspinning has been confined to only a small section of the rural population? Is it not also a fact that landless labour has not responded to the call of the Charkha because it did not provide the means of earning a livelihood?

These questions have to be considered when we talk in terms of providing employment and creating conditions of economic growth in the villages and for the welfare and progress of the individual. Conventional methods of organisation and working have been found to be inadequate for the success of the Ambar Charkha Programme. What we had pointed out in our comment was that the requisite technical organisation, training, field supervision and services have not proceeded with the pace of the momentum created by the programme. No doubt,



the Gandhi Ashram faithfully fulfilled its undertaking in distributing 40,000 Ambar Charkhas. Did it also succeed in keeping all these 40,000 charkhas working and producing the minimum quantity assigned to each Charkha? This is the real question. If all the 40,000 Ambar Charkhas have not been working to capacity what has been the reason? Obviously field organisation, inspection and technical guidance have not been developed to the extent necessary.

### **Is It A Relief Programme?**

Instead of looking to this very important and relevant aspect of the Ambar Charkha Programme, to raise the question of over-production and marketing difficulties is, we submit, to side-track the main issue. To juxtapose the fact that the poor in the villages, especially in drought and flood areas, find it more economical and convenient to ply the old Charkha is irrelevant. In the drought and flood areas, the Charkha is accepted as a relief measure and the Government subsidises the price of yarn by additional contribution over and above the high price we already pay for each hank of hand-spun yarn from the conventional Charkha. It is essentially a relief programme. We do not believe that Acharya Kripalani would like to keep the Khadi movement as only a relief programme and not a production programme. A relief programme can have no place in the economy of a country. Nor does it help in the decentralisation of production. Goods produced under relief programmes are distress goods and the consumer buys them from considerations purely of humanity and charity. Gandhiji never thought of the Khadi pro-

gramme as a programme of charity. To him the problem was providing to the helpless widow in the village an honest means by which she could earn even a paltry pice. The Ambar promises her much more; it ensures her a modest living with honest labour.

### **Marketing Problems**

But the problem of marketing raised by Acharya Kripalani is important and requires close consideration. We cannot, however, agree with him that the opening of the Khadi Gramodyog Bhavan in Delhi has encroached upon the largest market for the Gandhi Ashram. Before this Bhavan came into existence, the Ashram had been running two Bhandars – one at Chandni Chowk and the other in Connaught Place. The sales in these two bhandars have not been affected by the opening of the Bhavan. Moreover, the Bhavan itself stocks khadi produced by Gandhi Ashram. The Bhavan in Delhi, as the Bhavan in other centres, only assists in finding wider clientele and, therefore, larger sales for Khadi. The coming of the Delhi Bhavan has not in any way affected the sales in the other two bhandars. It is possible their sales have increased. We would submit that the approach to the problems of marketing of Khadi should not be narrow or parochial. It is an effort that requires organisation, guidance, market studies and preferences. These are beyond the capacity of resources of any one organisation.

### **Commission Alive To Needs**

Acharya Kripalani has thrown out a challenge that if the Khadi and Village Industries Commission took up the responsibility of marketing of all the Khadi produced, the Gandhi Ashram will be in a



position to expand production indefinitely. The Khadi Commission is alive to the problems of marketing. When it launched on the Ambar Charkha programme, it was conscious that production would increase by leaps and bounds and that what would be produced will have to be marketed. It has, with this view, started Khadi Gramodyog Bhavans in important cities. It has made provision for the opening of large numbers of bhandars and sales depots throughout the country. It has organised training of salesmen. It is constantly possessed of the problem of marketing and has set up at its Headquarters a Department for sales promotion which is actively exploring avenues of marketing Khadi and products of other village industries. Marketing problems, however, raise other questions of policy and methods which might require reconsideration of those followed at present. But these are matters which can be discussed collectively and solutions found.

#### **The Price Factor**

One important factor that militates against speedy marketing of Khadi is its high sale price. This high price is tied up with the wages of hand spinning. As long as improved techniques and processes are not employed, high wages will have to be paid for relatively very low production. It is this consideration which, we presume, weighed with Gandhiji when he called for invention of an improved charkha with higher productivity and, therefore, capable of giving higher earnings to the spinners. The Ambar Charkha, as we have pointed out, ensures a living wage for a day's honest labour. The price of yarn spun on the Ambar Charkha is relatively much

lower. The quality of yarn is also superior both in twist and uniformity which facilitates easy weaving. All this should result in the reduction of Khadi prices and present to the consumer qualitatively a better and more durable cloth.

#### **Need For New Approach**

This can come about only if the Ambar Charkha Programme is pursued with energy and the Ambar Charkha becomes a source of full time employment to those who have no work and a family unit where several members of the family can together work it to capacity. Where the latter has been tried the results have been exceedingly good. It is from this point of view that the Ambar Charkha should be taken up. We have said that the decision of the Gandhi Ashram to stop production of Ambar Charkha for the time being is, perhaps, conditioned by the existing inadequacy of organisation and field service arrangements. We also said that the decision has been taken with a view to correct the imbalance in these directions and to consolidate the work already done. The point is that our endeavour should be in the direction of introducing productively as large a number of Ambar Charkhas as possible and not in accepting this charkha as only complementary to the traditional charkha. That way the problem of price or marketing will present a difficult task. We have no doubt that with the drive, tenacity and imagination for which Acharya Kripalani is rightly famous, he will help to overcome the present difficulties and make decentralised production of yarn and cloth a reality.



# THE AGE OF TRANSITION

( By Jawaharlal Nehru )

( This article by Shri Jawaharlal Nehru, Prime Minister of India, was initially in the form of a confidential note meant for limited circulation. However, those to whom this note was addressed, felt that in view of the important aspects of the problems which had been lucidly discussed in this note, it should be given a wider publicity. To this Shri Nehru has accorded his permission ).

We have many grave internal problems to face. But even a consideration of these internal problems inevitably leads to a wider range of thought. Unless we have some clarity of vision or, at any rate, are clear as to the questions posed to us, we shall not get out of the confusion that afflicts the world today. I do not pretend to have that clarity of thinking or to have any answers to our major questions. All I can say, in all humility, is that I am constantly thinking about these questions. In a sense, I might say that I rather envy those who have got fixed ideas and, therefore, need not take the trouble to look deeper into the problems of to-day. Whether it is from the point of view of some religion or ideology, they are not troubled with the mental conflicts which are always the accompaniment of the great ages of transition.

## The Basic Fact

And, yet even though it may be more comfortable to have fixed ideas and be complacent, surely that is not to be

commended and that can only lead to stagnation and decay. The basic fact of today is the tremendous pace of change in human life. In my own life I have seen amazing changes, and, I am sure, that in the course of the life of the next generation, these changes will be even greater, if humanity is not overwhelmed and annihilated by an atomic war.

Nothing is so remarkable as the progressive conquest or understanding of the physical world by the mind of man to-day, and this process is continuing at a terrific pace. Man need no longer be a victim of external circumstances, at any rate, to a very large extent. While there has been this conquest of external conditions, there is at the same time the strange spectacle of a lack of moral fibre and of self-control in man as a whole. Conquering the physical world, he fails to conquer himself.

## Tragic Paradox

That is the tragic paradox of this Atomic and Sputnik Age. The fact that nuclear



tests continue, even though it is well recognised that they are very harmful in the present and in the future; the fact that all kinds of weapons of mass destruction are being produced and piled up, even though it is universally recognised that their use may well exterminate the human race, brings out this paradox with startling clarity. Science is advancing far beyond the comprehension of a very great part of the human race, and posing problems which most of us are incapable of understanding, much less of solving. Hence, the inner conflict and tumult of our times. On the one side, there is this great and overpowering progress in science and technology and of their manifold consequences; on the other, certain mental exhaustion of civilisation itself.

### **Conflicts Of To-day**

Religion comes into conflict with rationalism. The disciplines of religion and social usage fade away without giving place to other disciplines, moral or spiritual. Religion, as practised, either deals with matters rather unrelated to our normal lives and thus adopts an ivory tower attitude, or is allied to certain social usages which do not fit in with the present age. Rationalism, on the other hand, with all its virtues, somehow appears to deal with the surface of things, without uncovering the inner core. Science itself has arrived at a stage when vast new possibilities and mysteries loom ahead. Matter and energy and spirit seem to overlap.

In the ancient days, life was simpler

and more in contact with nature. Now it becomes more and more complex and more and more hurried, without time for reflection or even of questioning. Scientific developments have produced an enormous surplus of power and energy which are often used for wrong purposes.

The old question still faces us, as it has faced humanity for ages past : what is the meaning of life ? The old days of faith do not appear to be adequate, unless they can answer the questions of to-day. In a changing world, living should be a continuous adjustment to these changes and happenings. It is the lack of this adjustment that creates conflicts.

### **Disillusionment**

The old civilisations with the many virtues that they possess, have obviously proved inadequate. The new Western civilisation with all its triumphs and achievements and also with its Atomic bombs, also appears inadequate and, therefore, the feeling grows that there is something wrong with our civilisation. Indeed, essentially our problems are those of civilisation itself. Religion gave a certain moral and spiritual discipline: it also tried to perpetuate superstition and social usages. Indeed, those superstitions and social usages enmeshed and overwhelmed the real spirit of religion. Disillusionment followed. Communism comes in the wake of this disillusionment and offers some kind of faith and some kind of discipline. To some extent it fills a vacuum. It succeeds in some measure by giving a content to man's life. But, in spite of its



apparent success, it fails partly because of its rigidity, but, even more so, because it ignores certain essential need of human nature. There is much talk in communism of the contradictions of capitalist society and there is truth in that analysis. But we see the growing contradictions within the rigid frame-work of communism itself. Its suppression of individual freedom brings about powerful reactions. Its contempt for what might be called the moral and spiritual side of life not only ignores something that is basic in man, but also deprives human behaviour of standards and values. Its unfortunate association with violence encourages a certain evil tendency in human beings.

### Means And Ends

I have the greatest admiration for many of the achievements of the Soviet Union. Among these great achievements is the value attached to the child and the common man. Their systems of education and health are probably the best in the world. But it is said, and rightly, that there is suppression of individual freedom there. And yet the spread of education in all its forms is itself a tremendous liberating force which ultimately will not tolerate the suppression of freedom. This again, is another contradiction. Unfortunately communism became too closely associated with the necessity for violence and thus the idea which it placed before the world became a tainted one. Means distorted ends. We see here the powerful influence of wrong means and methods.

Communism charges the capitalist structure of society with being based on

violence and class conflict. I think this is essentially correct, though that capitalist structure itself has undergone and is continually undergoing a change because of democratic and other struggles and inequality. The question is how to get rid of this and have a classless society with equal opportunities for all. Can this be achieved through methods of violence, or can it be possible to bring about those changes through peaceful methods? Communism has definitely allied itself to the approach of violence. Even if it does not indulge normally in physical violence, its language is of violence, its thought is violent and it does not seek to change by persuasion or peaceful democratic pressures, but by coercion and indeed by destruction and extermination. Fascism has all these evil aspects of violence and extermination in their grossest forms and, at the same time, has no acceptable ideal.

### The Gandhian Way

This is completely opposed to the peaceful approach which Gandhiji taught us. Communists as well as anti-communists both seem to imagine that a principle can only be stoutly defended by language of violence and by condemning those who do not accept it. For both of them there are no shades, there is only black and white. That is the old approach of the bigoted aspects of some religions. It is not the approach of tolerance of feeling that perhaps others might have some share of the truth also. Speaking for myself, I find this approach wholly unscientific, unreasonable and uncivilised, whether it is applied in the



realm of religion or economic theory or anything else. I prefer the old pagan approach of tolerance, apart from its religious aspects.

But, whatever we may think about it, we have arrived at a stage in the modern world when an attempt at forcible imposition of ideas on any large section of people is bound ultimately to fail. In present circumstances, this will lead to war and tremendous destruction. There will be no victory, only defeat for everyone. Even this, we have seen, in the last year or two, that it is not easy for even great Powers to reintroduce colonial control over territories which have recently become independent. This was exemplified by the Suez incident in 1956. Also what happened in Hungary demonstrated that the desire for national freedom is stronger even than any ideology and cannot ultimately be suppressed. What happened in Hungary was not essentially a conflict between communism and anti-communism. It represented nationalism striving for freedom from foreign control.

### **The Moral Approach**

Thus, violence cannot possibly lead today to a solution of any major problem because violence has become much too terrible and destructive. The moral approach to this question has now been powerfully reinforced by the practical aspect.

If the society we aim at cannot be brought about by big scale violence, will small violence help? Surely not, partly because that itself may lead to the big scale violence and partly because it produces an atmos-

phere of conflict and of disruption. It is absurd to imagine that out of conflict the social progressive forces are bound to win. In Germany both the Communist Party and the Social Democratic party were swept away by Hitler. This may well happen in other countries, too. In India, any appeal to violence is particularly dangerous because of its inherent disruptive character. We have too many fissiparous tendencies for us to take risks. But all these are relatively minor considerations. The basic thing, I believe, is that wrong means will not lead to right results and that is no longer merely an ethical doctrine, but a practical proposition.

### **Individual And Society**

Some of us have been discussing this general background and more especially, conditions in India. It is often said that there is a sense of frustration and depression in India and the old buoyancy of spirit is not to be found at a time when enthusiasm and hard work are most needed. This is not merely in evidence in our country. It is in a sense a world phenomenon. An old and valued colleague said that this is due to our not having a philosophy of life and indeed the world also is suffering from this lack of a philosophical approach. In our efforts to ensure the material prosperity of the country, we have not paid any attention to the spiritual element in human nature. Therefore, in order to give the individual and the nation a sense of purpose, something to live for and, if necessary, to die for, we have to revive some philosophy of life and give, in the wider sense of the word, a spiritual background to our thinking. We talk of a welfare



State and of democracy and socialism. they are good concepts, but they hardly convey a clear and unambiguous meaning. This was the argument and then the question arose as to what our ultimate objective should be. Democracy and socialism are means to an end, not the end in itself. We talk of good of society. Is this something apart from and transcending the good of the individuals composing it? If the individual is ignored and sacrificed for what is considered the good of the society, is that the right objective to have?

It was agreed that the individual should not be so sacrificed and indeed that real social progress will come only when opportunity is given to the individual to develop, provided the individual is not a selected group, but comprises the whole community. The touchstone, therefore, should be how far any political or social theory enables the individual to rise above his petty self and thus think in terms of the good of all. The law of life should not be competition or acquisitiveness, but co-operation, the good of each contributing to the good of all. In such a society the emphasis will be on duties, we have to give a new direction to education and evolve a new type of humanity.

### **Vedantic Conception**

This argument led to the old vedantic conception that everything, whether sentient or insentient, finds a place in the organic whole; that every thing has a spark of what might be called the divine impulse or the basic energy or life force which pervades the Universe. This leads to metaphysical regions which tend to

take us away from the problems of life which face us. I suppose that any line of thought, sufficiently pursued, lead us in some measure to metaphysics. Even science today is almost on the verge of all manner of imponderables. I do not propose to discuss these metaphysical aspects, but this very argument indicates how the mind searches for something basic underlying the physical world. If we really believed in this all-pervading concept of the principle of life, it might help us to get rid of some of our narrowness of race, caste or class and make us more tolerant and understanding in our approaches to life's problems.

### **The Struggle For Development**

But obviously it does not solve any of these problems and, in a sense, we remain where we were. In India we talk of the Welfare State and socialism. In a sense, every country, whether it is capitalist, socialist or communist, accepts the ideal of the Welfare State. Capitalism, in a few countries at least, has achieved this common welfare to a very large extent, though it has far from solved its own problems and there is a basic lack of something vital. Democracy allied to capitalism has undoubtedly toned down many of its evils and in fact is different now from what it was a generation or two ago. In industrially advanced countries there has been a continuous and steady upward trend of economic development. Even the terrible losses of World wars have not prevented this trend in so far as these highly developed countries are concerned. Further this economic development has spread, though in varying degrees,



to all classes. This does not apply to countries which are not industrially developed. Indeed, in those countries the struggle for development is very difficult and sometimes, inspite of efforts, not only do economic inequalities remain, but tend to become worse. Normally speaking, it may be said that the force of a capitalist society, if left unchecked, tends to make the rich richer and the poor poorer and this increases the gap between them. This applies to countries as well as groups or regions or classes within the countries. Various democratic processes interfere with these normal trends. Capitalism itself has, therefore, developed some socialistic features even though its major aspects remain.

### **Socialism**

Socialism, of course, deliberately wants to interfere with the normal processes and thus not only adds to the productive forces but lessens inequalities. But, what is socialism? It is difficult to give a precise answer and there are innumerable definitions of it. Some people probably think of socialism vaguely just as something which does good and which aims at equality. That does not take us very far. Socialism is basically a different approach from that of capitalism, though I think it is true that the wide gap between them tends to lessen because many of the ideas of socialism are gradually incorporated even in the capitalist structure. Socialism is after all not only a way of life, but a certain scientific approach to social and economic problems. If socialism is introduced in a backward and under-developed

country, it does not suddenly make it any less backward. In fact we then have a backward and poverty-stricken socialism.

Unfortunately, many of the political aspects of communism have tended to destroy our vision of socialism. Also the technique of struggle evolved by communism has given violence a predominant part. Socialism should, therefore, be considered apart from these political elements or the inevitability of violence. It tells us that the general character of social, political and intellectual life in a society is governed by its productive resources. As those productive resources change and develop so the life and thinking of the community changes.

Imperialism and Colonialism suppressed and suppresses the progressive social force. Inevitably it aligns itself with certain privileged groups of classes because it is interested in preserving the social and economic *status quo*. Even after a country has become independent, it may continue to be economically dependent on other countries. This kind of thing is euphemistically called having close cultural and economic ties.

### **Decentralisation**

We discuss sometimes the self-sufficiency of the village. This should not be mixed up with the idea of decentralisation, though it may be a part of it. While decentralisation is, I think, desirable to the largest possible extent, if it leads to old and rather primitive methods of production, then it simply means that we do not utilise modern methods which have brought great material advance to



some countries of the West. That is, we remain poor and, what is more, tend to become poorer because of the pressure of an increasing population. I do not see any way out of our vicious circle of poverty except by utilising the new sources of power which science has placed at our disposal. Being poor, we have no surplus to invest and we sink lower and lower.

We have to break through this barrier by profiting by the new sources of power and modern techniques. But, in doing so we should not forget the basic human element and the fact that our objective is individual improvement and the lessening of inequalities and we must not forget the ethical and spiritual aspects of life which are ultimately the basis of culture and civilisation and which have given some meaning to life.

### **The Only Way**

It has to be remembered that it is not by some magic adoption of socialist or capitalist method that poverty suddenly leads to riches. The only way is through hard work and increasing the productivity of the nation and organising an equitable distribution of its products. It is a lengthy and difficult process. In a poorly developed country, the capitalist method offers no chance. It is only through a planned approach on socialistic lines that steady progress can be attained, though even that will take time. As this process continues, the texture of our life and thinking gradually changes.

Planning is essential for this, because

otherwise we waste our resources which are very limited. Planning does not mean a mere collection of projects or schemes, but a thorough approach of how to strengthen the base and pace of progress so that the community advances on all fronts. In India we have a terrible problem of extreme poverty in certain large regions, apart from the general poverty of the country. We have always a difficult choice before us: whether to concentrate on production by itself in selected and favourable areas and thus for the moment rather ignoring the poor areas, or try to develop the backward areas at the same time, so as to lessen the inequalities between regions. A balance has to be struck and an integrated national plan evolved. That national plan need not and indeed should not have rigidity. It need not be based on any dogma, but should rather take existing facts into consideration. It may and, I think, in present day India, it should encourage private enterprise in many fields, though even that private enterprise must necessarily fit in with the national Plan and have such controls as are considered necessary.

### **The Essential Point**

Land reforms have a peculiar significance, because, without them, more especially in a highly congested country like India, there can be no radical improvement in productivity in agriculture. But the main object of land reforms is a deeper one. They are meant to break up the old class structure



of a society that is stagnant. We want social security, but we have to recognise that social security only comes when a certain stage of development has been reached. Otherwise we shall have neither social security nor any development.

It is clear that, in the final analysis, it is the quality of the human beings that counts. It is man that builds up the wealth of nation, as well as its cultural progress. Hence education and health are of high importance so as to produce that quality in the human beings. We have to suffer here also from the lack of resources, but still we have always to remember that it is right education and good health that will give the foundation for economic as well as cultural and spiritual progress.

A national plan has thus both a short-term objective and a long-term one. The long-term objective gives a true perspective. Without it short-term planning is of little avail and will lead us into blind alleys. Planning will thus always be perspective planning and hard in view of the physical achievements for which we strive. In other words, it has to be physical planning, though

it is obviously limited and conditioned by financial resources and economic conditions.

### **Our Problems**

The problems that India faces are to some extent common to other countries, but much more so, there are new problems for which we have not got parallels or historical precedents elsewhere. What has happened in the past in the industrially advanced countries has little bearing on us today. As a matter of fact, the countries that are advanced today were economically better off than India to-day, in terms of per capita income, before their industrialisation began. Western economics, therefore, though helpful, have little bearing on our present day problems. So also have Marxist economics which are in many ways out of date, even though they throw a considerable light on economic processes. We have thus to do our own thinking profiting by the example of others, but essentially trying to find a path for ourselves suited to our own conditions.

In considering these economic aspects of our problems we have always to remember the base approach of peaceful means; and perhaps we might also keep in view the old Vedantic ideal of the life force which is the inner basis of everything that exists.



# GANDHI ASHRAM'S DECISION

*(By Acharya J. B. Kripalani)*

In the issue of May last of your valuable journal there was a criticism of the of the policy adopted by the Gandhi Ashram in U. P. with regard to the further manufacture of the Ambar Charkhas for this year. There was some criticism about myself also. It is not my purpose in any way to defend the policy of the Ashram in this matter and much less to defend myself. The decision was taken by the Executive of the Ashram after careful consideration of all the facts and the circumstances of the case. The Executive of the Ashram consists of members who have worked in the field of Khadi for at least thirtyfive years. Under heavy odds even during the darkest days of the Civil Disobedience Movement, when most of the Ashram centres were confiscated by the Government, and when most of the workers were in jail, the Ashram kept aloft the flag of Khadi. The critic himself admits that the Ashram is a premier institution in the field of Khadi. It could not have attained that position without its workers making tremendous sacrifices in the service of Khadi. If then they have thought it proper to suspend for the time being the production of additional Ambar Charkhas, there must be some compelling reasons for it.

## **The Main Reasons**

I shall give here the main reasons that

weighed with the Ashram authorities for the step they were obliged to take much against their wish. In the All India scheme of expansion of Khadi through the Ambar Charkha, the Ashram was assigned the task and had undertaken the responsibility of manufacturing and distributing 40,000 Ambar Charkhas inside the last year in U.P., the field of its operation. This is about one fifth (?) of the number assigned for the whole of India. The Ashram has faithfully fulfilled its task. It must also be remembered that the distribution of the conventional Charkha has been proceeding apace as usual. The poor in the villages, specially in drought and flood areas, find it more economical and convenient to ply the old charkha.

## **Production And Price**

With the introduction of 40,000 Ambar Charkhas and the usual rate of increase in the distribution of conventional charkhas, the Ashram had to increase its production and sale. It did this by increasing its production and sales from rupees one crore to a crore and a half, an increase of 50 per cent inside one year. The Ashram with all its expanding staff, which naturally was new to the task, could not manage to dispose of all this added Khadi in the market, which relies principally on the patriotism of the middle and middle



lower classes, at a time when prices all round were progressively rising, specially of food. Naturally people spend less on cloth if food gets dearer. Rising food prices have adversely affected even the well established textile mill industry heavily subsidised in various ways. There was naturally accumulation of Khadi in the Ashram. The stocks had to be somehow cleared if the work was not to come to a standstill. Therefore, the Ashram reduced the prices. It allowed a rebate of two annas per rupee, in addition to the three annas granted by the Government. The Ashram on this account suffered a loss of about rupees two lakhs last year. All this happened when the Ambar Charkha was just introduced and was not being worked to its full capacity.

### **Problem Of Sales**

This year the Ambar Charkhas distributed already will be producing at least double the quantity of yarn produced last year. All the time the conventional charkha will be keeping up its production. The total increased production in this year with the Ambar and the conventional charkha is estimated to be worth some 75 lakhs more than last year. This increase has been provided for in the estimates of Khadi production and sales for the current year. The Ashram thus will have to find market for more than ten lakhs of Khadi every month in the current year, beyond what it did in 1956.

We are told that the Khadi sales are increasing. If they had not been increasing, we could not have sold an added  $4\frac{1}{4}$  lakhs over the 1956-figures. But we seriously

doubt if the Ashram can manage to dispose of more than 75 lakhs worth of added Khadi this year in addition to the 150 lakhs that it was able with difficulty to dispose of last year. Our experience of the last year is not encouraging for that.

### **Question Of Quality**

The critic has given some figures of increase in Khadi sales particularly through the emporiums established in Delhi and Bombay by the Khadi and Village Industries Commission. But the increased rate of Khadi sales contemplated by the Ashram will, I am sure, not compare unfavourably with other organisations. The emporium in Delhi has deprived the Ashram of the possibilities of expanded sales in their biggest market. But when the critic talks of expanding sales, perhaps he does not know that the demand is generally for quality goods which the rich and the foreign tourists purchase. Even the Gandhi Ashram cannot always supply quality goods in quantities to its numerous city Bhandars. However, when production quickly expands the result is not quality goods. These take time to be produced. In the expanding textile mill industry we find at present the same process at work. The over-production of coarse cloth in the mills has produced a glut in the market, from which the industry is suffering today. While mills producing finer qualities of cloth are making their usual profits, those that produce coarse cloth have either to diminish production or shut shop. Even though there is an expanding demand, it is only for quality Khadi and not for coarse Khadi which must form a large part in an expanding



production, wherein yarn from newly trained spinners has got to be used. Further, today several provincial Governments have their own special agencies for the production and sales of Khadi. In U.P. the Ambar Charkha has been introduced in jail. The authorities instead of paying 13 n.P. are paying only one paisa per hank.

### **Supply To Government**

The Government orders have contributed substantially to the recent increase in Khadi sales in recent years. Welcome as this is, it creates its own difficulties. The Government agencies insist on the same standardisation in Khadi as in mill cloth. This is impossible to achieve. This demand makes it possible for the authorities, who happen to be unfavourably inclined towards Khadi for any reason, to refuse to accept goods offered. This therefore, is an uncertain and fluctuating market.

Also, the Ashram has progressively to expand schemes of self-sufficiency in the villages. This requires trained and influential workers. Therefore the effort that would be possible for creating an ever expanding market for what is called commercial Khadi can only be limited.

### **Sales Organisation**

There is yet another factor which stands in the way of the expansion of sales. In mill industries production is separated from sales. The mills merely produce cloth and there are other independent agencies that are responsible for wholesale and retail sales. In Khadi in addition to all processes of production, from distribution

of cotton to the finishing of the goods and making them ready for the market as also the organisation of wholesale and retail sales have to be undertaken by one and the same organisation. Among other difficulties, this locks up a good deal of capital. In other village industries it has been recognised that some Government or Government sponsored agency must study and create a market and organise sales. This is convenient and fruitful division of labour.

### **Let Commission Do It**

In pre-independence days, whenever sales through local agencies could not keep pace with production, Gandhiji came to the help of the organisations. He himself effected sales wherever he went through Khadi Hundis. I think the central organisation – the Khadi and Village Industries Commission and its local branches – must take up the work of organising sales throughout India. This will leave producing organisations free to expand production. I make bold to say that if wholesale and retail trade in Khadi were taken off the shoulders of the Ashram it could increase production indefinitely. To burden the same organisation with production and sales in all their many details must necessarily mean slow progress in both the departments and on the whole.

### **Hopes Not Fulfilled**

When the Ambar Charkha was introduced, it was felt that the price of Khadi will be reduced and this would stimulate sales. This has not happened. The yarn produced on this charkha, because of better



twist, adds to its weight\* in comparison to the yarn produced on the conventional charkha. Further the reduction in the weaving charges because of better twisted yarn as anticipated has not yet materialised. Rather in some places the weaver would not take the new yarn unless higher wages were paid.

### **Self-Supporting**

The Gandhi Ashram from its inception in 1921, when it took to Khadi work, has always been a self-supporting institution. The only help it has received has been in the shape of loans of its capital from public and private sources. Until recently it had to pay interest from 3 to 6 per cent and sometimes more. But it has seen to it that within the space of a few years it suffers no over-all losses to the detriment of its capital, which alone makes continuous production and sale possible. This the Ashram has done because from the beginning the workers have felt it would be unjust that the public, after bearing the burden of higher than mill cloth prices, should also bear the burden of losses incurred on the business side. That would be demanding too much sacrifice from the public. The Ashram has, therefore, always conducted its increasing operation, in this patriotic and philanthropic activity, on sound business principles. This has saved the Ashram from the fate of various Khadi institutions, that had to close

down their activities because they had neglected business principles.

### **Trustee Of The Poor**

The Gandhi Ashram is unwilling to kill the hen that lays the golden eggs, in its anxiety to push up production beyond its capacity for sales and thus suffer heavy losses. It considers itself as the humble trustee of the poor starving people, seeking continuous employment. If it is to play this role properly and efficiently, it must cut its coat according to its cloth, whatever the temptation in the contrary direction. It can't afford to be sentimental even in the cause of Khadi. This is the only way to save Khadi. Any other course will only injure the cause we have at heart.

### **As Devoted As Ever**

The inmates of the Ashram who have devoted some some 38 years and worked in the field of Khadi at great personal sacrifices not only in money but also in other ways, are no less anxious to serve the cause of Khadi than others working in the same field. They are conscious that Khadi was dear to Bapu as it helps the starving millions of our countrymen, who find it difficult to get two square meals a day. However, with all our efforts and sacrifices, I am afraid, Khadi can spread only in a limited way even as solvent of our colossal unemployment, unless the Government are willing to help it in the spirit in which it was conceived by the Father of the Nation, not in terms of conventional economic ideas. but in human terms. But this is a topic which I may not discuss here.

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\*When yarn is better twisted, it becomes finer and takes in more of the cotton fibres. And in weaving the picks and ends also are larger. The net effect is that the cloth is finer and heavier.



# SOME ASPECTS OF RURAL CREDIT REORGANIZATION

( By VAIKUNTH L. MEHTA )

It is now three years since the Rural Credit Survey Committee's Report was published and its principal recommendations were accepted both by the Reserve Bank of India and by the Central and State Governments. Except on the subject of association of officials with the management of co-operative societies at various levels, these recommendations also secured, by and large, the approval of co-operators. The broad framework of the Rural Credit Survey Committee's proposals, thereafter, came to be incorporated in the Second Five-Year Plan as the co-operative development programme before the country.

It is somewhat surprising, hence, that some of the authorities who were responsible for the formulation of the Plan have now raised doubts not only about certain specific aspects of the accepted Plan—but even about some of the principles underlying it. The features that have been particularly assailed are the recommendations about the formation of largesized societies and the principle of State-partnership. Since the Plan has been in operation for nearly two years now, questioning of the basis of reorganization is likely to give a set-back to the process of reorganization, with the result that there is little likelihood of the targets indicated in the

Plan being achieved. It is not reaching the physical targets in the form of numbers of societies to be set up that matters. What should be a matter for concern is that, with the upsetting of an approved programme, the vast number of agricultural producers who, according to the Plan, were expected to derive the benefit of institutional credit, will be denied such benefit for some more time, at least.

## The Main Point

The main point of controversy is about the size of the primary credit society. While considering the question we should examine the population pattern in the country. Half of our total rural population lives in villages with a population lower than 1,000. The number of villages with a population of 500 and below is 3,80,020. The aggregate population of these villages is 7.8 crores, thus giving an average of nearly 200 per village. Villages with a population between 500 and 1,000 number 1,04,268, the total population being 7.3 crores, the average population for this group thus being about 700. If institutional credit is to reach these small-sized villages where the average number of agricultural families is not likely to exceed 60 for both the groups taken together, it is difficult to visualize each of these villages constituting a unit



which can render useful services in the matter of promotion of thrift, provision of credit, supply of requisites, marketing of produce and introduction of improved methods of farming that the primary unit is expected to perform under any worthwhile scheme of rural credit reorganisation. Such small-sized villages have to be grouped together not merely to make them financially viable units but in order that the primary unit may be of service to the rural population in those villages.

We may examine the question from another point of view. The co-operative credit system in rural India is now over half a century old; and the predominant pattern so far has been the small-sized society, ordinarily one society confining its operations to one village. It is because of the fact that with this type of institution we have not been able to reach large masses of the rural population, particularly those in the low income groups, that the Rural Credit Survey Committee recommended a change of pattern. Of the total credit needs, the Survey disclosed that only 3.1 per cent. was provided by cooperative societies; the benefit of this extremely meagre institutional credit was mainly confined to agriculturists with medium or large-sized holdings.

### **Working Of Co-operatives**

If we turn to the statistics relating to the working of cooperative societies we find that at the end of the year 1955-56 there were 1,59,939 agricultural credit societies with a membership of 77,90,850; a working capital of Rs. 79.10 crores and management charges amounting to Rs. 1.28

crores. Hence we get per society an average membership of 50 in round figures; working capital of under Rs. 5,000 and management cost of about Rs. 80 for the year. It is worth considering whether with operations of so small a size as to afford an expenditure of less than Rs.7 per month, it is possible to organize satisfactorily the primary functions of promotion of thrift and provision of credit - let alone the other services interlinked with which alone the system of agricultural co-operative credit can be truly helpful. Unless the scale of operations is enlarged, as was recommended by the Rural Credit Survey Committee, reorganization will have little value, as should be obvious to those who have seen the rural movement undergo reorganization, over and over again, since the days of the MacLagan Committee on Co-operation.

This does not mean, and the Rural Credit Survey Committee did not intend to suggest, that a society confining its area of operation to one village had no place in the structure. Viability is what it laid emphasis on. Co-operatives should be of such a size as to enable a primary society to function effectively as a multi-purpose unit for credit and marketing etc., which is, admittedly, what the conditions of our economy demand. The margin between income and expenditure should be enough, at least, to meet the expenses of management, including remuneration to a person who is to attend to the multifarious duties involved in the day-to-day work of the society. It may be that with a drive to extend the membership and



to make credit available on the basis of productive capacity the volume of operations even in a fair-sized village may be adequate for the purpose. The tests, however, should be ability to undertake certain well-defined multiple functions and to provide credit for all primary producers, irrespective of the size of their holdings or the tangible security they can offer.

### **Credit And Market**

The considerations implicit in the two criteria are the same when credit is extended to persons ordinarily looked upon as non-creditworthy; the responsibility for ensuring that what is lent is recovered is all the greater. Since the borrowings are essentially for production, it becomes necessary to follow up the disposal of the produce and to recover the outstandings from the proceeds of the sale. Some such method was practised by the indigenous banker, who, however, in the disorganised village community of British India, often became the counterpart of the "gombeen man" in Ireland. It is the adoption of the practice, minus, however the exploitative tendency, that the Rural Credit Survey Committee has in view when it suggests the linking of credit with marketing. For this purpose, it is necessary that every unit should function as a primary centre for collection of produce. This involves the maintenance of a modest godown and the provision of the services of someone to receive the produce and to arrange for its dispatch to the Local marketing centre.

Similarly the cost of production can

be lowered by the organisation of arrangements for the purchase of requisites and their supply to members, so that for such purpose they do not have to resort to traders. More important than this, however, is the service the primary units can render by becoming instruments for the raising of the level of productivity. They can provide improved tools and requisites and become channels for the introduction of other improvements that will help in securing that object. It is only then that the non-creditworthy cultivators can, in course of time, become credit-worthy in the sense that the deficits that they face can be turned into surpluses. To expect all this to be achieved by a village credit society of the type we have in our midst at present, as judged by the statistics quoted above, is almost to ask for the impossible. Organization for supervised credit of the type now being developed for peasant proprietors in some parts of the world is feasible only if the primary unit has some staff and some godown-cum-office accommodation.

### **Question Of Savings**

It is a pertinent criticism that, taking the country as a whole, little progress has been made in attracting to the primary societies the savings of their members, much less deposits from persons other than members. Even in well managed societies of the size we have at present, it may be possible to attract deposits for specific periods, provided adequate arrangements are made in advance for the return of the deposits on expiry of the relevant periods. But experience shows that what



the rural population with savings would need is provision of facilities for the withdrawal of savings at short notice, if not on demand. This postulates, again, the maintenance of some staff and an office at a place which is easily accessible to villagers. It is only when a society has these arrangements at its disposal that it will be able to do away with the present prevailing practice of granting loans once a year and to replace it by a system under which loans can be drawn in instalments when the occasion for cash expenditure arises. The indigenous banking system, in spite of the high rates of interest charged, continues to be favoured, among other reasons, because of this facility for drawing loans as and when needed.

Another advantage which a large-sized unit may possess is that the field from which the committee of management is elected gets widened with the grouping of villages. Local knowledge and contact between members – an essential feature of co-operative working – can be secured if the villages are contiguous and the central office is within easy distance. While it is true that, considering their resources, our peasantry are efficient at farming, experience with various types of village institutions has shown that the farmer is not necessarily proficient in attending to the affairs of a common business organization. Hence the field of selection for co-operative institutions is limited. Moreover, in a village, factions and prejudices often come into play in the choice of personnel of the committees and office-bearers and

even in the ordering of business affairs. It may be that when an institution covers a number of villages these factors may not have much influence in selection or in management. If the area is not large nor is the membership unwieldy, local knowledge and contact will not be missing. The device of having sub-committees for individual villages may be tried, if necessary. In any event, no step should be taken that impairs the sense of responsibility.

### III-Informed Criticism

It is urged, as a point of criticism, that with societies of large size and covering more villages than one, the appointment of full-time secretaries is rendered inevitable and that these individuals may secure a hold over the affairs of the societies to the detriment of the growth of a sense of responsibility among the committees of management. Presumably, those who offer this criticism have not much knowledge of the present state of things. In quite a number of States, the accounts of societies are written up and loans disbursed, as well as recoveries made by clerks or supervisors appointed either by the State Co-operative Department or by central banks. In States like Bombay, there is a system of appointing group secretaries, the appointments often being made not by the societies themselves, but by supervising unions and ad hoc committees on which sit representatives of the Co-operative Department and central banks. With the formation of large-sized societies, it need not be presumed that there will be a change for the worse from the point



of view of the exercise of local control. In fact, if it becomes possible, with the enlargement of size, to strengthen the personnel of committees, the secretaries may be subject to this local control more effectively than is the case at present. A good large-sized society may be able to appoint its own local secretary, selected from among trained and qualified persons.

### **The Union Method**

A suggestion that has sometimes been made is that even if the societies are small in size, they may be grouped into unions and some authority or control should be exercised by such unions. In pursuance of the recommendations of the Maclagan Committee on Co-operation, some States introduced four decades back the system of guaranteeing unions with limited area of operations. However, this form of organisation was given up long ago both in Burma, where it had its origin, and in Bombay where among Indian provinces, it has its longest trial. The main defect, as was foreseen at the time by the late Mr. Henry Wolff, was that it transferred financial authority from where it should attach, namely, the primary society to another agency. That is the danger in any scheme of grouping societies, such as is now being advocated. Even from the point of view of exercising supervision, the supervising unions in Madras and Bombay have, after prolonged trial, proved to be largely ineffective.

It may be that in some European countries, the system of unions has been a success. There is, however, a world of

difference between the financial structure of the primary units in those countries and in India. In several of the European countries, the bulk of the funds are, and will for some time continue to be, obtained from central banks. Apparently, in view of this position, the Rural Credit Survey Committee has seen little advantage in the formation of supervising unions in the development of the movement, but has recommended that the type of supervision that is most necessary, akin to financial inspection, should be a function pertaining to central banks. This ensures that in the ordering of its internal affairs, every primary unit should be independent, and this freedom of action it can enjoy only when it possesses viability and has its own staff.

### **Many-Sided Object**

On the subject of State partnership there is not so much difference of opinion as on the subject of the size of the primary society; but there has been – even after the principle was accepted for the purposes of the Plan – a great deal of misunderstanding and misapprehension. These arose because the purpose for which Government assistance taking the form of partnership has been recommended has not been properly appreciated. The object is many-sided. In the first place, the financial basis of co-operative agencies is to be strengthened at various levels. This cannot be done by Government granting loans or keeping deposits with societies, in which case State becomes a creditor with no special responsibility. Besides, the need at all levels is not



for loans or deposits but for the strengthening of the share capital structure, on the basis of which larger funds can be raised by securing loans and deposits. Capital by way of loans is available if needed by primary societies from their central banks and apex banks and for the latter from the Reserve Bank of India. The contribution to share capital, obtained by the State Governments from the Reserve Bank, is provided to the various federal agencies and to the primary unit.

### State Partnership

This is in pursuance of the view of the Rural Credit Survey Committee that the State should actively associate itself with the rural co-operative credit organisation in a direct manner. As a matter of national policy the State has under our planned programme of economic development contributed to the share capital of corporations for various industries or for the financing of industries. With such contribution the State becomes a partner in the fortunes of the industrial or financing concerns. Our premier national industry, however, is agriculture. It is carried on by persons of small means who are some of the most resourceless, under-privileged, disadvantaged sections of the community. The Rural Credit Survey shows how progress in raising the level of production is impeded by the lack of credit facilities on fair terms available particularly to those with small units of cultivation. Viewed in this light, it becomes the duty of the State to extend to them its support in the same

manner as is done for industries and industrial finance and some other business enterprises. This will impose on Government a direct responsibility to make the system of co-operative credit successful.

In the business enterprises where the State becomes a partner it is usually the dominant partner. That may not be necessary or desirable when Government associate themselves with co-operative credit agencies, for these represent a wing of a popular movement, the basis of which is freedom of action, self-governance and self-reliance. But with this concept duly safeguarded it is desirable that Government should have a voice in the running of the institutions not so much for the purpose of seeing that they are run on financially sound lines as for ensuring that the objectives of the Plan are kept in view and effective action is taken to implement it. One of the objectives is to ensure that benefit accrues to the low income groups among agricultural producers. To secure this object it is necessary to provide for association by the State at all stages. Such participation in administration should not connote any interference with the day-to-day management of affairs. The State may be represented directly at the apex institution or even the central bank. Representation at the lower level should be ordinarily through the federal financing agencies by the nomination of social workers connected with welfare agencies. There is provision in the scheme for the refunding of Government's contribution to the share capital of primary units. When this stage is reached



even the indirect association with administration will come to an end.

### The Picture

The picture that the Rural Credit Survey Committee presents is of under-finance and over-administration on the part of the State. The Committee, while pleading for financial partnership nowhere urges the extension of official control and authority. There is risk of bureaucratisation only if the thesis is misunder-

stood and misinterpreted. But it is doing injustice to the Rural Credit Survey Committee to suggest that under its scheme officialisation and bureaucratisation are inevitable. On the contrary, it is as social workers, keeping in mind the highest conception of social service that, in the concluding portion of its Report, the Committee asks co-operators – officials, and non-officials – to approach the task before them.

## KHADI & VILLAGE INDUSTRIES COMMISSION

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# PATTERN OF CO-OPERATIVE ECONOMICS

( By M. D. Vidwans )

For years to come, India will remain a predominantly agricultural country. The co-operatively organised village bodies will play a decisive role in shaping the economic policy of the nation. Land, agricultural labour and capital accumulated by thrift will contribute to agricultural production no doubt but these factors of production will be given a treatment, different from what they get in a capitalistic set-up. Land may get a fair return by way of ownership dividend and capital, just recompense by way of interest and the labourers contributing their labour towards production may be rewarded in terms of the work done by them. But land and capital will not necessarily be identified with the land-owner and the capitalist. Each village will be co-operatively organised for production as well as for distribution of the produce. Several lakhs of such primary village units will set up a pyramid of apex federal institutions for all co-operative activities. These apex federal bodies will be entrusted with the work of fixing of prices of goods and services in the cooperative sector. It is comparatively easy to fix prices of food stuffs and such other materials than of manufactured goods.

So long as there is no over-abundance

of produce, such a pricing mechanism will be necessary even if we are to plan the national economy on cooperative lines. Such a price system will depend on the structure of costs embodying socially determined valuations of factors of production. Prices of these factors will not be determined mechanically by the law of supply and demand but they will denote the satisfaction gained by human beings. For the purpose of price fixation the apex bodies will form co-operative alliances and fix the prices by balancing of production and consumption. They will prevent exploitation of producers by owners of private means of production and protect human labour from being treated as inanimate commodity.

## Price Fixation

There are many advantages from such a system of valuations. Valuation will not be dictated by an external authority like the State as at present but will be arrived at by the autonomous cooperative bodies. The State as a contributor to the share capital of cooperatives will be able to participate in this function more intimately than now. Even the institutions of co-operative consumers established for



industrial workers in the nationalised or private sectors will be able to participate and help in this work of price fixing. Thus conflicts between Big Labour and Big Agriculture will get resolved on the plane of co-operation. As for Big Business, the middleman will be eliminated so far as co-operative marketing is concerned. But so far as big manufacture on large scale is concerned, worker's intimate association in the policy-making and management of the factory on co-operative lines, will harmonise the industrial and the agricultural sectors. Thus cooperation will not only be a solvent for the internal conflicts of economic democracy but it will give a tone to the whole of the national economy.

### **Wages And Income**

How will the co-operative planners determine the costs of production? Obviously in cooperative planning the costs of the factors of production - land, labour, capital - will not be determined by the prices of these factors as obtained in the competitive market but will be settled as a matter of public policy. Wages of labour for instance will not be settled by the higgling of the labour market nor at the dictation of trade unions. In the fixation of wages the planning body will take into consideration the total sum available for spending as wages because the level of income a society can afford to spend depends on its total production. It will thus lay down standards for a living wage for every person, subject to such person accepting the social obligation to work. It will also provide for incentives to work by pro-

viding for unequal rewards for unequal work. It will bear in mind that these incomes must be fixed at such levels as will help to clear the market of available surplus. It will see that the purchasing power of these incomes is not unduly affected by the Government or the banks. Money put into circulation must be just enough to all spendable income to buy all the available goods and services at current prices.

### **Interest And Rent**

This method of fixation of prices should apply to other factors of production like interest etc. The simple view that rate of interest is fixed by the willingness to save and to borrow is untenable since Keynes has shown that there is no identity between the two. The supply of capital depends on credit policy as well as savings. But the real investment a society can effect depends on the proportion of the production it is prepared to save for this purpose. Money saved by co-operators by thrift will be one such source of investment. But the major source shall consist in the State investing large sums in the share capital of co-operatives. This money may be raised by the State by taxation or borrowing. Thus in a mixed economy where a general policy for full employment is to be followed the State cannot but regulate interest rates. For ensuring this, margins of profits allowed by taxation policy and price regulations are more powerful instruments than the raising or lowering of interest rates. Thus interest rates are likely to be a matter of social expediency in a plan designed to promote full employment and



social welfare.

According to co-operative principles capital will not be treated as superior to or even on a par with the wage earner but a residuary legatee of productive enterprise, which will take what is left after payments of wages. This residuary legacy given to capital will not consist of the traditional return for risk taking, because in a planned economy the element of risk is minimised. Nor will the entrepreneur be allowed to charge for his entrepreneur's profit, because in a socialistic pattern of society the enterprise will not be planned by him in isolation. He cannot claim the benefit for his abstinence either, because savings are socially planned out of total production, by a portion being withdrawn from consumption for future investment.

In a cooperative economy there is no scope for profits as such except for accounting surpluses over costs. Cooperative enterprises will be so conducted that their takings shall cover only actual factor costs, plus surpluses for reserves and for such other common benefits. If it is desired to raise money for new investment it may be done by withdrawing purchasing power before it is distributed to consumers as income by placing the prices at a higher level to cover this or by collecting the money by taxation after distributing all the purchasing power at the first instance.

### Rent

Rent for land raises a different question. Though land is not nationalized in India, yet the class of rentiers is brought to an end by laws passed to eliminate the inter-

mediaries. Land is sought to be equitably distributed and ceilings are sought to be placed on present and future holdings to prevent repetition of the mistake of accumulation of land in a few hands. Agriculture will have to be carried on intensively either by individual families with the help of service cooperatives or by those families pooling together their lands in joint farming or better still by donating them to Gramdan villages. If private ownership in land is recognized it is done only nominally to provide an incentive to greater production. But land is principally to be treated as a social asset for production or as a national asset. So if it is thrown in a joint farming pool the amount of the ownership dividend will be only nominal. If it is relinquished to Gramdan village the question does not arise.

"Private property in the means of production, like land, is essentially of a monopolistic character and constitutes an artificial monopoly which enables the owner to levy tribute upon other men's labours. The property owning monopolist thus tends to appropriate to himself the benefits of the increasingly co-operative character of the production process. This enables him to exploit those who have only their labour power to offer for sale. So in co-operatives, institutional monopoly revenue derived from mere property ownership will be taken to the reserve fund of the cooperative to be used for common benefit. When this is done it will be possible to put the distribution of income on a fairer basis and to approach the ideal of equality as nearly as possible, consistently



with the need of providing monetary incentive for higher production."

### Cooperative Price Mechanism

In a cooperatively organised society a great many things will be rationed by the price mechanism to enable the consumers a free choice between alternative goods. In India the apex cooperative institutions will establish their rules for pricing goods and services based on their costs of production, which are socially determined. There may be cases when prices may be reduced by subsidy or raised by taxation in order to encourage or discourage consumption of particular kinds of goods.

Thus costs will not be dependent on the higgling of the market or the so called objective laws of a free market. They will ultimately be dependent on social control. The rent of land interest on capital will be determined by the collective agencies entrusted with these functions. The sums charged as rent or interest will mostly accrue to co-operative organisations or agencies as trustees for the public. Similarly wages and other incomes paid for productive service will be planned in accordance with principles of social justice and expediency and not be determined by industrial conflict. Costs will, therefore, be affected by collective decisions about rent, interest on capital and rates of remuneration of services. Prices corresponding to these costs will be thus the resultants of these decisions. The principal factor in this estimate of prices of production will be obviously the cost of labour. But even the labour cost will be determined not by

market operations but by social judgment as regards the total sum available for spending on wages. Thus wages also will be controlled socially.

Thus a cooperative price system will depend on structure of costs embodying socially determined valuations of the rewards due to the factors of production. This can best be achieved in co-operative institutions where men can meet on terms of equality as producers and consumers. In a predominantly agricultural country like India the planners will have to take account of the attitude of agriculturists towards the general economic policy. Though in an agricultural enterprise the members receive for their additional labours a share of the increased production yet it is hardly equivalent to their share of national income. So they are interested in the maintenance of parity of farm prices with prices of finished goods. This parity can be adjusted within the co-operative sector as far as small scale village industries are concerned. But when the problem of relating farm prices of the prices of factory products comes up, then the question of cooperativisation of factory management arises.

### Jeremy Bentham

Jeremy Bentham had declared that the aim of social action is the greatest happiness of the greatest number. This provides for the rule of the majority in political institutions on the basis of universal suffrage. But even Bentham did not realise the real economic implications of his doctrine, as his political doctrine was for a long time associated with



the doctrine of laissezfaire in economics. But it was gradually realised that it was idle to talk of free competition amongst those who are economically unequals. The principle of one man one vote in politics was not the same thing as one £ one vote in economics. The two principles express opposite and contradictory principles, as the one rests on basic equality while the other rests on all pervading inequality. It is only co-operation that guards against this contradiction by rejecting the principle of one £ one vote and makes the principle of one man one vote universally applicable both in political as well as economic relations. Bentham has thus supplied the premises for an economic democracy as well.

These premises are : (1) It is good for the people to be happy and (2) People are made happier by having more goods and services and leisure to consume. The objective of economic policy, therefore, is the maximisation of satisfaction through consumption of goods and services and enjoyment of leisure. Thus all, high or low, even unto the last, are entitled to the good things of life in an economic democracy. This democracy can be established only on the basis of cooperative equality of opportunity in production as well as distribution and consumption.

### **Principle Of Utility**

Utilitarianism has supplied the basis not only for systems of ethics or politics but for systems of economics and law as well. Ultimately "utility", and not money, is the measure of everything. Valuations are

made by man and value of a thing depends on its utility to him. We find that in factories etc. more utilities are provided to reduce disutility of work. If this be the case of physical conditions how much more valuable must be the steps taken for or to be taken for obtaining the willing cooperation of a worker? If the management will respect the dignity and self-respect of workers by consulting them in the work, that will help to increase production or at least reduce the disutility of the work. Economic democracy requires that men ought not only to be treated well but as equals also. Industrial democracy should start in the workshop and factory and grow from such local units upwards and reach higher levels.

"As for benefits flowing from free and self-governing labour there is evidence to show that co-operative farming is more productive than farming with wage labour on large estates. So also in modern industries co-operative workshops are seen competing with capitalistic workshops." Thus industrial self-government on co-operative lines must be fostered alongside with development of agricultural co-operatives.

### **Texture Of Cooperative Economy**

Thus the entire economic pattern both agricultural and industrial, must be woven of the warp of democratic principles and the woof of cooperative principles, if communism, meaning totalitarianism, on the one hand, and a political system in terms of domination of economic groups – corporatives – on the other, are to be counteracted. The essential theory of a corporative State is that the employers



confront the employees and the Government acts as the referee. But this does not eliminate the conflict, it only prevents conflicts from breaking out into open violence. The present labour laws are based on this principle but as our Prime Minister has suggested, industry itself must be organised on cooperative lines. In this reference we must not forget the new method adopted in England, of the State subscribing to the share capital of Industrial concerns. This is an indirect way of socialisation or obtaining control over them for the State. In any case, as we are trying the experiment in the co-operative sector there should be no objection to try it in the industrial sector as well.

If this is not done, then, as India becomes more industrialised, the share of agriculture in national income will tend to be reduced. So long as the total economy will be growing rapidly, this will not create any very serious problem. But when expansion of the economy will begin to slow down, there will be a contraction in the relative share of agriculture in national income. It will cause a drift to the cities and increase the resentment in the farmers. So big agriculture cooperatively organised will try to influence government policy and

government may help them to establish a monopoly position. Can such a democracy where the Big Three battle against each other survive for long?

### Cooperative Anarchism

No politico-economic system will in itself guarantee the achievement of the economic objectives laid down within a democratic socialistic framework of society. Nothing will do this job except knowledge, good-will and cooperation amongst men. We can no longer divorce economics from ethics. What is wanted is a change of heart in the business man and the farmer alike. Their mercenary attitude must change. They must do unto others as they would be done by. But if men develop this moral sense within themselves, would there be any need for imposition of external sanction by the State? would not the goal of cooperative anarchism (Statelessness) be reached, when there is no conflict between the individual and the society? "Then people will become accustomed to observe the elementary conditions of social life without force and without subordination". Then the State based on organised violence will vanish leaving behind a frictionless and a classless society co-operatively organised.

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# THE COOPERATIVE APPROACH PAYS

[ Shri Jawaharlal Nehru, the Prime Minister, sent a letter to Shri K. D. Malaviya, President of the All India Co-operative Union, stating how Mr. Weber, FAO Expert working with the U. P. Government, improved the conditions of primary schools in Kumaon district by enlisting the co-operation of the villagers, teacher and the officers of the area. He had only a small donation of Rs. 15,000 from the Prime Minister of which he had actually spent less than Rs. 11,000. With such a small sum of money the improvement he brought about in the conditions of the 37 primary schools, the teachers and the children are striking, to say the least. He demonstrated most effectively that even small sums of money wisely spent could produce tremendous social welfare. The Prime Minister rightly felt that if the co-operative approach is adopted, people's welfare could be increased many times. On this there is general universal agreement. Here is the story of Mr. Webers experiment. ]

Mr. F. B. Carbasius-Weber, expert in Food Technology and Horticulture, is working with the U. P. Government as FAO Consultant. While he was touring in the interior of Kumaon district for the purpose of finding out how agricultural production could be improved in the area, he was distressed to see the appalling conditions of the people. He was particularly interested in the conditions of the children who represented India's future. When he met the Prime Minister, Shri Jawaharlal Nehru, he related his experiences and suggested that even a small amount of Rs. 10,000, if wisely spent, could bring about a welcome change in many of the schools.

The Prime Minister was surprised as to

how a small amount of Rs. 10,000 could improve the deplorable conditions of the schools in the entire area. However, he made available Rs. 15,000 to Mr. Weber.

What Mr. Weber did with Rs. 11,000 in a period of about eight and a half months impressed the Prime Minister very much, so much so that he sent the report of Mr. Weber to Shri K. D. Malaviya, the president of the All India Co-operative Union, and wrote a letter emphasizing the need for co-operative approach in welfare activities.

This is what the Prime Minister felt about Mr. Weber's work : "The main purpose of my sending you this report is to draw attention to what can



be achieved with small sums of money intelligently utilised with the co-operation of the village folk. I am becoming more and more convinced that our approach is far too rigid and bureaucratic to yield the results we aim at. Those results can never be obtained without the full co-operation of the people and without making them realise that it is their work.

How can we pull ourselves out of this trough of bureaucratism and of always relying on others to help? How can we think less in money terms and grants from above and more in terms of co-operative work in the village? There is no hope for us unless we do that."

### Weber's Story

Here is the story of 37 primary schools in Kumaon which benefited from the donation of the Prime Minister and how Mr. Weber made the donation yield the maximum results.

Mr. Weber selected schools and the children for his welfare activities, because he felt that while the adult population was being covered by the activities of the Community Blocks, nothing much was being done for the children who are the hope of the India of tomorrow. The following is an account of what he found during his visits:

Many children were afflicted with sores on their arms and legs which develop from scratching flea bites. Clouds of flies feeding on the filth and these sores were the constant companions of the children whether they sat in the sun or in the classrooms. "Head lice are quite common and there is no question of elementary

body hygiene; hands, feet, neck, face are grimy with dirt, clothes are rags and obviously never washed. Hair cuts are rare and nails hardly trimmed . . . . Eye diseases are rampant, running noses produce more food for the flies, thereby causing secondary infections which sometimes eat away part of the skin of the face".

Mr. Weber felt that these children were only a matter of bone and skin. But he found them well-disciplined and punctual in attending schools, sometimes walking distances of 8 miles up and down along difficult mountain paths. They could laugh easily and they were cheerful.

Their conditions are so bad because they and their parents do not realise that they are bad. Secondly they are extremely poor. 99 per cent of the children had no other clothes than what they had on their body. The clothes were never washed because the children could not stand stark naked the extreme cold of this mountainous region.

### The Teachers :

Their social standard is equal to that of a cow minus her sanctity. They are never paid punctually, arrears normally covering 4 to 5 months' pay. So the villagers keep the teachers alive on some wheat, potatoes or whatever is available. Sometimes nothing is available.

They live in dark holes, sort of annexes to the school buildings.

But "what these men do day after day," Mr. Weber continues, "cannot but call for my warmest appreciation." They did not complain, they hardly ever indulged in



politics, they just taught. If there was a quest for village leaders, these men would surely find a place amongst them.

The school buildings were in as pathetic conditions as their occupants. Further, drinking water facilities were absent. Mattings on which the children could sit were also absent practically every-where ; where it was available it was never cleaned or washed.

As regards teaching aids, the majority of the schools had no teaching aids. There were no sports goods, no table or chair for the Masterji.

Mr. Weber states that the Prime Minister's name works magic in the villages. When the Masterji, the children and the parents heard that Shri Jawaharlal Nehru had made a donation for the improvement of the local primary schools, they sat up, became keenly interested and did believe that "something" really was going to happen. Secondly a wealth of goodwill and co-operation came from all concerned-villagers, officers, shopkeepers and village level workers.

### **How He Did It !**

Mr. Weber and his associates visited the different schools in the area and discussed with the pleasantly surprised Masterji, the villagers and the officials what needed to be done. They explained the danger of unhygienic conditions and the possibilities of improving the schools in simple ways. They did not ask for anything, no shramdan or financial contributions but, for their understanding. If people said they did not like to send their children to the

schools, they believed them and said there was nothing wrong with them but with the school. They explained that all of them should try to raise the school to an acceptable level; and willing and enthusiastic co-operation followed.

They provided from the Prime Minister's donation: screens to make the school and the classrooms fly proof, whitewash, bright paint and varnish to give a cheerful look to the surroundings, mattings for the classrooms to make a decent sitting for the children, tables and chairs for the teachers, waterfillers and buckets, soaps in a few cases, nail trimming tools, hair-cutting-some villages thereafter appointed a man to give a free haircut to all the boys once a month-sports goods, a clock and the national flag. In four schools, a complete set of clothes was provided to each kid. Wooden planks, glass panes and roofing materials were provided to improve the school buildings. Vegetable and flower seeds and grafted fruits' plants were supplied to start gardening for schools since the area is primarily horticultural. The Masterji asked the children to collect colourful stones and minerals, in which the Himalayas abound, to have attractive specimen in the schools.

Villagers actively co-operated. They did not ask for wages for their labour.

A forest Ranger in Pahari Garhwal made out petitions to himself, approving them there and then, so that the villagers could have immediately some trees to complete school buildings. He supervised the work in his spare time. In Ranikhet a number of people agreed to see to a follow-up-to



make friends with the Masterji and to see the materials were put to proper use.

The District Inspector of Schools in Pahari Garhwal also became interested. He discussed the proposed improvements with the teachers and greatly stimulated their interest. Further, the Government sponsored nurseries invited the children to visit their nurseries and have a picnic there so that they could come into contact with other decent children, play with them and learn habits of cleanliness and such other things.

The future of Kumaon district lies in horticulture. So Mr. Weber feels that the young Pahari should become acquainted with the flower and the fruit plants. The school garden should have a live museum of plants to create a lively interest in the children in what grows and how it grows. Mr. Weber states that this approach must be applied to other fields of developmental activities; otherwise the already existing gap between the knowledge of children and the progress in Government-sponsored developments will become so wide as to be never bridged again. However they could not do much in this direction for want of barbed wire to keep the stray cattle out.

In order to assist in the higher education facilities of the pahari students, the Ranikhet Intermediate College was equipped with Chemistry, physics and Biology laboratories with Rs. 16,000 collected in Holland, and presented to the College in UNESCO gift

coupons. The public of Ranikhet also assisted financially.

The Pahari Garhwal Intermediate College, where the need for scientific equipment was as pressing, has also been presented with Rs. 10,000 collected in Holland in the form of UNESCO gift coupons.

### Co-operatives And Social Welfare

The work done by Mr. Webber puts into bold belief what non-official institutions like the co-operatives can do in increasing the welfare of the people. If an individual by enlisting the support of the people and officers could do so much the co-operatives, which are people's own organisations and have the support of the people assured to them, could do much more provided they systematically under take this work.

We do not have many people like Mr. Weber with his enthusiasm and zeal to combine such welfare work with their normal duties. But we have a welfare organisation practically in every third or fourth village throughout India in the shape of a co-operative society. Their number exceeds 2 lakhs. There are instances where co-operative societies imbued with a social purpose have contributed in a big way to the welfare of the people in their areas. For example, the Transport Co-operative of Savarkundla In Saurashtra is carrying the school children free to and from their schools and providing free conveyance facilities to pregnant women for taking them to the maternity hospitals.



Scores of other sick persons are also taken to the hospitals by them at nominal rates. There are other co-operatives which have given scholarships to deserving students to carry on their education.

### Best Agency

Co-operatives are thus the best fitted agency to undertake such welfare activities. They are creating wealth in the course of their normal business activities and are setting aside a part of this wealth for the Common Good Funds which are meant for the benefit of all. For this reason they do not have to ask for donations or contributions from anyone. What is required is that the co-operatives understand the

significance of Common Good Funds and utilise them for the general good of the people in a wise manner. If they spend these funds as Mr. Weber did, the conditions of the people in their areas would greatly improve. It is certain that they would meet with an enthusiastic response from the people and also assistance from the Governmental and other agencies such as N. E. S. Government departments, local boards etc. The tiny sums originally set aside would grow in magnitude and the small work started by the co-operatives would end in nothing short of social revolution.

(Courtesy : All India Co-operative Union.)

## GANDHI MARG

GANDHI MARG is the quarterly organ of the Gandhi Smarak Nidhi. The First Number in English and Hindi was brought out on January 30, 1957. It is meant to be an Open Forum for Gandhian students all over the world. The first two Numbers contain articles from leading writers like Horace Alexander, Reginald Reynolds, Arthur Morgan, Roy Walker, Wilfred Wellock, H. S. L. Polak, Ethel Mannin, Clare Sheridan, Richard Gregg, Bharatan Kumarappa, Kakasaheb Kalelkar, Pattabhi Sitaramayya, R. R. Diwakar, Rajkumari Amrit Kaur, Maganbhai Desai and others. Rates of subscription are given below :

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# STOP THE TREK TO CITIES

( By : P. V. WAINGANKAR )

"Industrialise or Perish" the cry goes up from a thousand throats and is taken up by others. The din is loud enough to drown reason and conscience. This slogan has so much become a part of the modern society in which we live that to adjure people to pause and think about this matter is to invite ridicule and contempt. And yet thinking sections in society in all countries have continued to draw attention to the horrid features of the process of industrialisation which gives more thought to the machine than the man behind it. Industrialisation implies huge conglomerations of people in towns and cities, living in insanitary conditions, losing their identity and becoming part of what Dr. Radhakrishnan called "anti-hill societies." India to-day stands sixth among the countries of the world in the matter of industrialisation. But it has yet to deal with the problem of slums utmost urgency and seriousness.

## The Growing Menace

A team of experts set up by the Committee on Plan Projects has stated that :

"One of the *basic* causes of the development of slums is a phenomenal increase in the population of towns due to influx of the rural population *in search of employment* and better civic amenities".

Mr. Weisman, Assistant Director of the U. N. Bureau of Social Affairs in charge of housing, building and planning, also believes that the surge of Asian urbanisation holds both threat of the world's biggest slums and worst social and economic problems. He said recently : "As the developing countries in the predominantly rural subsistence economics grow more firmly into the orbit of the expanding market, the social and environmental conditions deteriorate and the rural incomes become smaller in comparison with those of the urban area. The pressure on arable land, the hope of better life, the prestige and lure of the big city and the promise of securer industrial employment keep mass migration moving to old and new centres. Albeit, the promise of a securer industrial employment more often than not, remains unfulfilled.

## Even In America

It is sufficient to have a look at the American economy to understand how over-crowding and slum-formation are intimate to the industrial system based on mechanisation. An article in the "*New Statesman and Nation*" last year revealed how one quarter of all American families lived in urban or rural slums and according to the 1950 census, ten million houses needed replacement because they had sub-standard amenities—no running water, no



private lavatory or bath, no kitchen, any or all of these. If insanitary living conditions constitute a cause of demoralisation, no less irksome and degrading are the conditions of work. Thus Industrialisation attacks a worker both in his place of residence and also at his place of work. He becomes a peg. "A man is less affronted if he is reproved as individual than if he is coldly neglected," and big industries "neglect" him!

### Face The Facts

Thus those who advocated rapid industrialisation as a panacea have been forced to reappraise their concepts and values. But prejudices die hard. These advocates of rapid industrialisation are trying to pull blinds over their eyes. To them the growth of slums is only "unfortunate". It is time we faced the facts squarely and readily conceded that this growth is germane to the system. It is all part of the process. As Mr. Webbs said: "Our present industrial system is responsible for the growth of this canker. If slums are a disgrace to the cities, they are a direct result of the neglect of the villages as against overriding attention and importance claimed by the industrial cities. By and large, it can be safely said that no one likes to leave his home where his ancestors lived unless cruel circumstances willy-nilly drive him to that course." It is true of man everywhere, and more so of our people. What are these compulsions of economic circumstances that bring unwilling youth just out of school, tearing him from his parents and family, to a city which is unwilling to receive him?

### Give Them Work

These are the shrinking of work opportunities. During the last few decades, the avenues of employment in traditional rural crafts have dwindled to an ominous extent. One simple fact is enough to show how organised sector has fattened at the expense of the unorganised one. Thus, employment in the cotton textiles between 1901 and 1951 dwindled from 121.1 to 51.3 in the unorganised 10,000 of factory per population. The story is not different in other industries such as oil pressing, rice and flour processing and tanning and leather work.

A simple remedy for slums would appear to be to provide good housing along with other amenities such as an adequate supply of water, drainage and sanitary conditions in cities. But the financial implications of such a scheme are enormous and are beyond our resources. According to one estimate, the demolition of slums in this country will involve an expenditure of anything upto 10,000 to Rs.20,000 crores. In Madras which was recently congratulated by the Union Minister for Works, Housing and Supply for its good work in the matter of slum clearance, only 12 or 15 out of over 330 slums have been taken up. In this city, there is "proper housing" for only 40 to 45 per cent of the population. Thus, one day, a scheme of this nature will strain our national resources beyond limit.

### Problem Of Housing

The Team, too, has confessed the inability of the nation to provide satisfactory housing for the ever-increasing numbers in industrial cities. It was estimated, it points out, that in 1951 a population of 58.595 was



living in Bombay city at the rate of 20 or more persons in each dwelling or a room. To house the present population of 33 lakhs in Bombay City about Rs.158 crores would be needed.

Thus the problem of levelling down slums and providing satisfactory dwellings is likely to defy our efforts for a long time to come. Even if it were within our reach, it will not be prudent to go on providing civic amenities in urban areas, as that would encourage accretion of people in cities. It was this vital consideration that prompted the Village and Small Scale industries Committee (1955) to recommend that cities should not be permitted to grow beyond a prescribed limit. In the three decades preceding the appointment of the Committee, the unhealthy process of urbanisation went on merrily till in the decade ending 1951, the increase in the population of the village was only 8.9 per cent against the alarmingly high rate of 41.3 per cent in the case of urban population. In Bombay city, there has been a 150 per cent increase in population during the last quarter of a century but dwellings have risen by 35 per cent only.

### **The Difficulty**

In the face of these stark realities of the situation, the Team has recommended dispersal of industries from overcrowded cities to villages. The solution suggested is not new. It has been canvassed and discussed over the last several years, but without significant results. One of the reasons is that the starting of new industries or new industrial units is facilitated

in areas where industries are already working and as a result, the concomitant services are readily available in an organised state. The mere dispersal of units cannot succeed in halting the march of village population towards cities, because the rural unemployment problem would remain as acute as ever without any appreciable increase in employment opportunities. Moreover, availability of electric power is a must for such a process of decentralising units and here we woefully lag behind. According to an estimate, by 1960 out of a total of 5,61,107 towns and villages only 18,000 will have been electrified. The prospect, according to latest reports, is even worse.

### **Improve The Villages**

Thus demolition of the existing eye sores in the cities is out of question with our scarce resources and dispersal of large scale industries in the urban areas will not put a halt to the process of urbanisation. The solution is, therefore, to adopt techniques and processes suitable for the decentralisation of an industry. In other words, the disease cannot obviously be palliatives. We will have to strike at the roots.

Further, the Team has suggested measures to improve the living conditions in the villages to make migration to towns and cities less attractive. The Government of India has a plan for rural housing at an estimated expenditure of some Rs.10 crores in the Second Plan period. The Union Minister for Housing stated recently that if a programme of this nature were to cover the entire countryside, the cost



will reach the staggering amount of about Rs. 2,500 crores. That is to say, if such programmes are to be really able to tackle the problem of improving village conditions, which is wide in its ramifications, it must win the active and enthusiastic co-operation of the people who must come forward to bear their share of the expenditure. This truth has been demonstrably brought out by the implementation of the rural development programmes during the last seven years.

The problem, therefore, boils down to one of augmenting the purchasing power of the rural population. The real and lasting remedy is a "back-to-the-village" call to the planners and the people. But mere calls

serve no purpose. When it is realised that the villager flocks to the city to earn his bread, it is necessary to understand the nature and the extent of the unemployment in the countryside. In extent, it is colossal, involving some 75 per cent of the working population. By nature it is both partial and full. Thus seen, the answer becomes as clear as daylight. It is to provide the people in the villages gainful work in or near their homes. It will obviate problems of transport and communication and of setting up new townships with their huge cost. The team has recommended urgency in the work of establishing industrial estates. But it concludes: "It is better to carry industry to the people than carry people to the industries."

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# WATTLES IN THE NILGIRIS

(By SHRI V. S. KRISHNASWAMY, M. A., I. F. S. CHIEF CONSERVATOR  
OF FORESTS)

## INTRODUCTION

In the economic progress of a country, trees and plants and products derived from them do play a great part and more so in a country like India. Useful exotic plants of commercial value play a greater part in influencing the internal as well as the external economy of a nation. The introduction of Australian Wattles (thornless acacias) into India during the middle of the last century is a case in point. Though, at that time, they were introduced only for meeting the growing fuel demand of the prosperous Hill stations, in the Nilgiris, now they are valued more for the tannin in their bark.

## Tanning Industry

From time immemorial, Madras is having a flourishing market in tanned leather and this is mainly due to the natural availability of **Cassia audiculata** and **Terminolia Chebula**, the important tan-bark and fruit practically through the State.

There are two main types of tannage:

- i. Mineral tanning (with chrome salts) :  
and
- ii. vegetable tanning (with tan barks and fruits).

In addition to avaram bark and myrobolams, we have many others of some minor importance, namely :

1. **Acacia arbica** (Karuvelam),

2. **Cassia fistula** (Konnaipattai),
3. **Cleistanthus collinus** (Oduvan),
4. **Soymida feberifuga** (Somi),
5. **Ventilago madraspatana** (Vembadam patti).

When there is a steadily increasing demand for the Indian tanned leather, the demand for the tan bark increases and, unless this demand is satisfied, the production of tanned leather may go down and we may lose a good foreign trade. So, in order to satisfy the demand, the tanners of Madras State began to import large quantities of these barks and fruits from the neighbouring Andhra State. Indian tanners began to import tan barks from foreign lands, especially Africa. This import increased from 200 tons in 1922-23 to 14,000 tons in 1934-35. The price per ton was ranging between Rs. 85 and Rs. 95. Then these imports steadily increased and prior to 1947 India imported on an average 40,000 tons of bark at a rate of Rs. 130 to Rs. 150 per ton and at one time, during the Second World War, it rose upto Rs. 750 per ton. Every year, on an average, the Indian tanner manufactured about 10 to 20 lakhs of vegetable tanned hides and 5 to 10 lakhs of chrome tanned hides. These imported tan barks are called *wattle*



barks and the percentage of tannin content in them is found to be very high. Due to the Second World War and when the trade relations with Africa became strained, the necessity for growing these on a large scale became important.

### Wattels In The Nilgiris

The Australian wattle, as they are familiarly called, were first introduced through private enterprise in the Nilgiris by about 1840. They were cultivated in the tea garden and cinchona plantations as a nurse crop and for serving as wind belts. Due to intensive competition from imported barks of South Africa, the local tan barks could not be exploited economically on account of the high cost of labour at Nilgiris and they fetched a very low price. By 1939, nearly a century after their introduction, attempts were made by Government agency to plant them in a systematic and scientific manner for exploitation of the bark. Till then, as pointed out earlier, they, in some way, catered to the local fuel demand.

The question of growing these important trees under the scientific management was taken up by the Madras Forest Department in the Nilgiris. To begin with, systematic plantations were raised with the green wattle (*Acacia decurrens*), and black wattle (*Acacia Mollissima*). Subsequently, it was found that the black wattle was superior on account of its high tannin content (33 to 34 per cent) and the desired finish and colour it gave to the leather after tanning. The green wattle was also found to possess the same percentage of tannin, but it gave an undesirable red colour to the finished

leather which was not favoured by the industry.

### Financial Implications

So the cultivation of black wattle is being encouraged in the Nilgiris district and in the Palni Hills of Madurai district and an area of about 15,000 acres in the Palni and about 3,500 acres in Nilgiris are available for raising these plantations. Schemes are already in force for growing these plantations extensively in the coming decade. Upto 1954 an area of about 4,000 acres was planted with wattle at a cost of Rs. 3,20,000. Of these only 238 acres were exploited which yielded a revenue of Rs. 2,27,880 (bark and fuel). For raising 238 acres, the department incurred an expenditure of Rs. 12,000 and this gives an idea about the economical soundness of the scheme. Assuming an yield of about 5 tons of bark from an area of plantation, we must have 6,000 acres to be felled annually to meet our average annual demand of 30,000 tons (assumed figure) and for a nine-year rotation we must have 54,000 acres under wattle.

### The Four Important Wattles

The characteristics of the following Acacia species introduced into the Nilgiris in the Middle of the last century by one Captain Dun are given below :

1. Acacia dealbata,
2. Acacia decurrens,
3. Acacia melanoxylon, and
4. Acacia mollissima.

**Acacia ( Willd )** : This belongs to the family of *Leguminosae Mimosae*, a very



large genus containing a number of species of trees and climbers. This genus finds its greatest expression in Australia and Africa. India also has a good number of species most of them being thorny.

**Acacia dealbata (Link):** This is otherwise known as the silver wattle, deriving probably its name from the silvery appearance of its foliage. This is a small evergreen tree with handsome branchlets and foliage. In its own home, Tasmania, it reaches a height of 150 feet and a girth of 10 feet, but in Nilgiris where it was introduced in 1932 it does not grow beyond 50 feet. The flowers are yellow and fragrant. The tree has no commercial value as timber. The fuel is of very poor quality. The tannin content of the bark is between 5 to 10 per cent. This bark is generally adulterated with green wattle bark.

**Acacia decurrens:** This was introduced in the Nilgiris originally for solving the fuel problem. From 1853 systematic planting of this species was started, but this was discontinued in 1869 when the *Bluegum* (*Eucaliptus globulus*) took its place. Now it is almost a weed in the Nilgiris and is growing in waste lands having inferior soil conditions excepting swamps. It is frost hardy and it is not known to suffer from any pests and diseases and it spreads very rapidly from root suckers.

**Acacia decurrens (Willd.):** This is popularly known as the green wattle of commerce and this also was introduced into Nilgiris about the same time as *Acacia dealbata*. Along with *Acacia dealbata* and

*Acacia mollissima*, this was planted out indiscriminately everywhere in Nilgiris for fuel. *Acacia mollissima* and *Acacia decurrens*, though botanically very similar, are really different species. It was once thought that *Acacia mollissima* was a variety of *Acacia decurrens*. The leaves of *Acacia mollissima* are dark green while that of *Acacia decurrens* are a light yellowish green. The leaflets are short and closely spread in *Acacia Mollissima*, while they are a little long and widely spread in *Acacia decurrens*. In Nilgiris systematic plantations of *Acacia decurrens* were started only after 1939. Though originally valued for its tanning content which is slightly more than that of *Acacia mollissima*, subsequently this was not preferred as it imparted a slightly red tinge to the tanned leather, But recent research has shown that this colouring matter can be eliminated by suitable changes in the tanning process or by suitable addition of other tanning materials. Anyhow its planting on a large scale has been given up in favour of *Acacia Mollissima*.

This tree grown comparatively faster than black wattle in the early stages and is slightly more frost resistant. It produces a straight clean, knot-free pole. This grows to medium size and attain a height of 90 feet and 15 inches in diameter. It is not attacked by any pests or diseases. The tree seeds profusely and seeds are distributed throughout India.

**Accacia melanoxylon ( R.Br. ):** This is commonly known as the Australian Blackwood and is a middle sized ever-green tree which reaches a height of about 100



feet and girth of about 6 feet in Nilgiris. Its dense olive green foliage consisting mainly of *Phyllodes* and not of true leaves, give a graceful appearance to this tree. This was introduced by the same person at the same time as the other wattles with the same purpose of solving the fuel problem of the Ootacamund hill station. Regular plantations of this species were started by 1853 and continued till about 1869 when they were stopped and *Bluegum* was planted instead. Even now big avenue trees are seen all along the principal roads in the Nilgiris. The tree seeds profusely and the seeds are distributed throughout India.

### Seed Weights

Two thousand and thirty-four seeds go to weigh one ounce. The germinative capacity is about 85 per cent and the plant percentage is 78. Plant per pound of seeds works up to 25,384.

This tree is attacked by *loranthus*, but this damage is not of much importance. It has a very low coppicing power. Natural regeneration by seed is rare, but reproduction by root suckers is common. The timber is not valued in India. In Nilgiris it is used in temporary constructions. It is generally used as fuel and converted into charcoal. At present this is not much in demand.

*Acacia mollissima* (Willd): This is the wellknown black wattle of commerce and it also comes from Australia. This tree was introduced into Nilgiris during the middle of the last century and, as it is a prolific seed bearer, fresh seeds are distributed

throughout India. As pointed out earlier, all these wattles were introduced only for solving the fuel problem of the Hill Station. when *Bluegum* was introduced in 1869, the wattles lost their economic importance as fuel. Regular plantation of *Acacia Mollissima* on a planned scale for exploitation of bark was started only in 1939 by the Forest Department.

### Importance Of The Species

The Second World War, and the restrictions imposed on imports of tan barks from South Africa, gave an impetus for Research and it was found that *Acacia Mollissima* yielded the largest percentage of desirable tannin and so the Forest Department concentrated its attention on the artificial regeneration of this species to the exclusion of other exotic *acacias*. Upto 1954 the Forest Department planted an area of about 4,000 acres with this species. The rotation is kept at 9 years and a plan is being made ready for extending these cultivations in favourable localities for production of tan bark.

This tree is found to thrive well between elevation of 5,500 feet and 7,500 feet in the Nilgiris and between 6,000 feet and 8,000 feet in the Palni Hills. The mean daily shade temperature for the year is 57 degree F. and the average maximum shade temperature is 75° F. and the average minimum is 35° F. Rainfall varies between 50 inches to 80 inches with over 100 rain days in the year. The trees grow very luxuriantly between 7,200 feet and 8,000 feet and this elevation is the limiting factor for growing this tree in our State. The soil in Nilgiris is red clay soil of gneissic



origin rich and deep in some places and shallow and poor in other parts. Calcium is markedly absent in the soil. The tree comes up well in grass lands and abandoned cultivated lands. Excepting in swamps the tree comes up well in a variety of soils.

### Pretreatment Of Seed

Seeds should be pre-treated by soaking them in boiling water. Water 5 times the volume of seed is taken and is brought to boiling point. It is then removed from the fire and the seed is poured into the water and stirred well. Seed is allowed to cool with the water for 12 hours. Then the seeds are removed and washed 4 or 5 times in clean cold water for removing the gummy mucilage. Then they are dried in the shade. Pre-treated seeds give 53 to 60 per cent germination as against 5 per cent from untreated seeds.

Seeds are sown before the 15th of October in standard nursery beds which are well dug and mixed with earth obtainable from the rain forests of the localities. Germination (*shola earth*) takes place in about 10 to 15 days after sowing. Shade is provided for protecting the seedlings from excessive heat. And when the seedling are 3 inches to 4 inches they are uprooted with as much earth as possible with minimum disturbance to roots. Then some *shala earth* is added and the entire seedling is wrapped up in moss and tied with fibre. The mossed plant is allowed to grow for 4 to 6 months or until the seedlings are between 9 inches to 12 inches

high when they are planted out in the field. During this time they are protected from drip as well as excessive heat. Mossed seedlings kept in the nursery beds are distributed once in a fortnight to prevent the seedlings striking roots in the ground. Six months old mossed nursery raised transplants are used in artificial regeneration in a new area for the first time. They are planted out in the field between May and July 15th in the Otacamund Range and between June and August 15th in Coonoor Range. Planting is done only after the advent of the south-west monsoon and it is done on rainy days in moist weather. At the time of planting 2 oz. of N. P. K. mixture or the special wattle manure is added to the soil and planting is done in 1 foot cube, prepared pits. Casualties are replaced as and when necessary. Three weedlings are done in the first year and 2 in the second year to a radius of about 2 feet around the plant. Seedlings which are less than 12 inches in height, are liable to frost damage in the first year. So during the first season, namely, between October to February, seedlings less than 18 inches high will be protected with bracken ferns and grass. This is removed after February, frost occurs both in Nilgiris and in the Palni, but it is milder at the latter place. This tree does not coppice well, but it bears seed from early life and seeds lie dormant in the soil even up to 6 years without loss of viability and they germinate when the plantations are clearfelled. After clearfelling at the end of 9 years, a gentle fire is run over the area just before the monsoon. This results in thousands of natural



seedlings coming up in the entire area. These are thinned in lines and the second rotation crop thus obtained.

### Seed Weight

The seed weight, 1,785 to an ounce and the germinative capacity is 57 per cent and the plant per cent is 15. From a standard bed of 40 feet by 4 feet by sowing a pound of seed 3,600 plants may be obtained and this will be quite sufficient for raising a plantation of 3 acres at an espacement of 11 feet by 11 feet including replacement of casualties. (For this espacement actually only 360 plants are required per acre.)

In the Palni successful plantations were raised by direct sowings in patches in espacement of 9 feet by 9 feet but now the tendency is to transplant mossed seedlings.

The rate of growth is rather slow in the first year especially of seedlings raised by direct sowings. Thereafter the growth is fast upto the fifth year and then it gradually declines.

### Removal of Bark

In 9 years in medium qualities area the trees may attain a height growth of 50 feet and a girth of about 20 inches and the yield of dry bark per acre may be 5 to 6 tons. Unfortunately the tannin content of the bark and its quality from trees of various ages has not yet been worked out. Experiments on stripping and drying of bark are under way. Foreign practices are that the trees are girdled in the mid stem and bark peeled by hand. All bark that could be possibly removed is removed before felling the tree. Bark found on stem and branches with a girth of about three inches or one inch

diameter is merchantable. Fresh green bark, if not used for tanning immediately, should be air dried at once without exposing the inner side and then stored. Stripping of bark may usefully be done in summer and if the weather is not conducive, the bark should be sent to the plains without loss of time for proper drying. It should not be allowed to get wet or exposed to rain lest the quality should deteriorate. It is chopped or crushed and packed and sold.

In addition to the bark, fuel also is obtainable from these plantations. The yield of fuel varies from 15 to 40 tons per acre based on site quality over a rotation of only nine years.

### Protection

Excepting gummosis which does not seem to have any ill effect, this tree does not suffer from any pests or diseases. It is liable to be killed by fire. As there are fire hazards both in the Nilgiris and in the Palani hills every year, the plantations are to be fire traced and no dry materials left in the plantation especially between the end of the first and the starting of the second rotations. The species is shallow rooted and liable to be uprooted during severe gales. Hence one chain of wide wind belts of *Bluegum* is raised once in every ten chains of plantations. As *Acacia millissima* is the most important species, it is desirable to obtain pure strains of these seeds. For this arrangements have been made at Nilgiris. But this contingency does not appear to have been felt in South Africa. Probably there is hybridization



there.

The wood is not useful as timber and as fuel it is only second to *Bluegum*. But latest researches at Dehra Dun have proved that the wood is a potential raw material for paper and rayon industries and the question of establishing a paper or rayon

mill near Nilgiris is under active consideration.

A century of existence has almost acclimatized this useful exoitic and now a stage has been reached when plantations of these species may be raised with confidence.

(*Courtesy: Madras Information*)

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# DEVELOPMENT OF NON-EDIBLE OILSEEDS\*

The Council of Scientific and Industrial Research, New Delhi at its meeting held in March 1945, passed a resolution that an economic survey ( botanical and chemical ) of all oil-bearing plants and seeds in the country should be carried out, and this resolution was communicated to the various State Governments for implementation.

In response to this, the Madras Government submitted scheme to the Committee in June 1948 at an estimated cost of Rs. 13,000 over a period of 10 months. It was stated that as oil seeds are a great economic asset to the country, the scheme will not only develop trade but also help industrial research. The cost of the scheme was subsequently revised to Rs. 15,500 out of which the Committee's share was Rs.7,750 which was sanctioned by the Committee at its meeting held in October 1948.

A " Summary of the report on the

economic survey of minor oilbearing plants and seeds in the Madras State " was published by the Committee in April 1951 as an Oilseeds Series Bulletin No,22. A copy of this printed summary was circulated in June 1951 to all the State Governments stating that very useful information had been obtained in the Madras State and inviting similar schemes from other States for collecting similar information from other parts of the country.

Accordingly, schemes for survey of minor oilseeds were received from the State of Bombay, Bhopal, Hyderabad, Madhya Bharat, Mysore, Punjab, Saurashtra, Travancore-Cochin, Uttar Pradesh, Vindhya Pradesh, and West Bengal.

The details of the amounts sanctioned and dates of commencement and termination of the schemes are given below :

S.No.	State	Sanctioned grant Rs.	Date of Commencement of the scheme	Date of termination of the Scheme
1.	Madras	7,750	21- 5-1949	20-3-1950
2.	Bombay	—	October 1953	December 1954
3.	Bhopal	13,100	25- 9-1952	28-2-1954
4.	Hyderabad	13,011-8	1-10-1954	30-9-1956
5.	Madhya Bharat	7,100	15- 6-1953	15-9-1954
6.	Mysore	2,660	1- 1-1954	31-7-1954
7.	Punjab	2,975	—	—
8.	Saurashtra	5,012	11- 5-1956	30-9-1957
9.	Travancore-Cochin	1,027	1-10-1954	30-9-1955
10.	Vindhya Pradesh	9,750	22- 1-1953	22-7-1954
11.	West Bengal	4,423	20- 7-1956	19-7-1957

\*This report is reproduced from the " Indian Oilseeds Journal. "



Scheme for the survey of minor oil seeds have been completed in the former States of Madras, Bhopal, Mysore, Vindhya Pradesh, Bombay, Saurashtra, Travancore Cochin, Madhya Bharat, Hyderabad, and West Bengal, information collected from these surveys has been received in the form of reports from all States excepting the last two.

The salient features contained in the reports on the surveys conducted in the States of Bombay, Mysore, Madhya Bharat, Bhopal, Vindhya Pradesh and Travancore-Cochin, are summarised below.

### **I. Bombay State**

The survey made in 1954 included Safflower, Sunflower, Tobacco, Mahua, Neem, Karanj, Cashewshell, Pisa, Kokum, Kamala, Bhilwa and Undi.

#### **1. Pisa ( *Actiondaphne hookeri* )**

The total number of Pisa tree in Bombay State was estimated at about 10,000 most of which occur in North Satara district. Assuming that 25 per cent of the trees were not fruit-bearing and the average yield per tree at  $\frac{3}{4}$  of a maund, the total production was estimated at 5615 maunds. The collection of Pisa seeds from forests is made by contractors who engage labour for collection and sell them to oil crushers in Bombay. The cost of collection for 10 lbs. is 4 annas in the month of May, 5 annas in June and 6 annas in July. The seeds are purchased by the Mills for extraction of oil on the basis of the quality of oil obtained therefrom. There is no regular market for Pisa seeds and hence no specifications are reorganised by the trade.

The Swastic Oil Mills purchased Pisa seeds for experimental purpose at Rs. 34 for 128 lbs. The crushing charges are estimated at Rs. 1-12-0 per maund.

Pisa seed contains 96 per cent lauric acid and can, therefore, replace coconut oil in the manufacture of soaps. It has a kernel rich in fat and an outer covering with oil containing unsaturated fatty acids. It is, therefore, necessary to remove the outer covering prior to crushing.

During the year 1954-55, Pisa seeds were crushed by Swastik Oil Mills and Tata oil Mills and the yields were 47.8% and 51.5% respectively. The yield of cake was 45.5 per cent and 40 per cent respectively.

The recommendations made in the report are :

- (i) systematic cultivation of Pisa trees by the Forest Department, and
- (ii) research on deodorisation and decolourisation of the Pisa for owing to its dark brown colour and a peculiar smell.

#### **2. Kokum ( *Carcinia Indica* )**

The total number of Kokum trees in Bombay State was estimated at about 46,600 distributed mainly in the districts of Ratnagiri, Kanara and Surat. Taking 25 per cent of the trees as not bearing fruits and an average yield of 12 seers of seeds per tree, the total production of Kokum seeds is estimated at about 10,490.

The producers collect the Kokum fruits in April and May from the trees. The cost of collection is estimated at Rs. 5 per maund. The fruits are not generally



marketed, but retained in villages for the extraction of oil. The outer skin of the fruit known as 'amsul' is utilised in cooking as it has a sour taste and flavour.

The outer rind is separated by hand and dried. The unhusked seeds are dried, then crushed and boiled in water for extraction of oil. On cooling, the oil gets hardened and floats on the top and is collected and turned into suitable lumps for marketing. The cost of preparation of seed and extraction of oil is estimated at 6 to 8 annas per lb. The kernal forms 60 per cent of the seed and contains 20 per cent oil.

No grading is followed in the case of marketing of Kokum oil. There is an inter-state movement of Kokum oil which arrives into Bombay market from Malwan and Kirpani by country crafts in small quantities.

Kokum oil is mostly used for lighting frying and medicinal purposes, the quantities utilised being 30 per cent, 40 per cent and 30 per cent respectively of the total production estimated at 1,195 maunds.

The following recommendations have been made :

- (a) Propagation of Kokum trees by agriculturists may be encouraged.
- (b) Research on the utilisation of Kokum oil for medicinal and industrial purposes, should be organised.

### 3. Kamala ( *Mallotus Phillipinensis* ):

The Kamala trees occur in forest areas only and their number in Bombay State was

estimated at 1437; distributed as follows :

Dharwar District	1000
Kolhapur District	225
North Kanara District	100
Thana District	100

The average yield per tree is about 8 seers.

Assuming that 25 per cent of the trees do not bear fruit, the potential production in the State is estimated at 215 maunds.

The tribe 'Lamanis' collect the seeds from forests and sell to 'Kirana' merchants in Dharwar bazar.

The surface of the fruit has a powder which is collected for use as dye. The oil contains about 50 per cent of kamelenic acid which can serve as raw material for industrial products. Considerable work on its chemical and technological properties has been done at the National Chemical Laboratory, Poona.

### 4. Mahua ( *Bassia Latifolia* )

The total number of Mahua trees in Bombay State was estimated at 7.37 lakh trees, out of which 5.52 lakhs were seed bearing.

The district-wise population of Mahua trees in Bombay State is given below :

Panchmahals	2,69,529
Sabarkanta	72,676
Surat	67,999
West Khandesh	60,427
Baroda	52,707
Thana	52,290

At an average yield of one maund per tree, the total production of Mahua seeds



was estimated at 5,52,520 maunds or 19,732 tons.

The collection of seeds from the forest is made between April and July. The assemblage is done by hill tribes, village merchants and town merchants to the extent of 20 per cent, 70 per cent and 10 per cent respectively. The cost of collection is about a rupee per maund. The cost of distribution of the seed up to the terminal market is Rs. 4 per maund.

The shell is removed in the houses at a cost of Rs. 2 per maund and the kernel is dried and sold in the market from July to October. Two grades (red and brownish dark) are recognised in the Bombay Market, the former being superior.

The seeds crushed for oil extraction during 1951, 1952 and 1953 were 11,830, 5985 and 4,908 tons respectively. The crushing is done by ghanis in the villages or by rotaries or expellers in towns. The percentage of oil extracted by ghani ranges from 28 to 30 per cent and expellers from 34 to 36 per cent.

A ghani can crush  $1\frac{1}{2}$  maunds of Mahua seeds per day at the rate of 6 charges of 22 lbs. each. The cost of crushing may vary from Rs. 67 to Rs. 81 per ton of seed.

The cost of crushing in power mill (rotary or expeller) is Rs. 51 per ton.

The average annual prices of seeds and oil which prevailed in the Bombay market during the quinquennium 1949-53 are tabulated below :

Prices in rupees, annas per maund of 82 lbs.		
Year	Seed	Oil
1949	20- 7	60-11
1950	23- 4	65- 9
1951	23-13	68- 9
1952	15-15	53-13
1953	19- 4	62- 2

### 5. Neem (*Azadirachta indica*)

The total number of Neem trees in Bombay State estimated at 11.7 lakhs is distributed as follows :-

1. Sholapur	1,48,904
2. East Khandesh	2,34,642
3. Sabarkanta	2,17,696
4. Kaira	80,043
5. Bijapur	71,030
6. West Khandesh	45,674

Assuming the average yield per tree at  $1\frac{1}{2}$  maunds and that 25% of the trees only bear fruit in a season, the total production of Neem seed in the State was estimated at 13,16,956 maunds or 47,034 tons. Hardly 0.8% of the seed produced, is said to be collected, the rest being wasted. Thus the actual quantity of seed collected is only 376 tons. The oil extracted from this is estimated at 89 tons, out of which 45 are used for soap making and the rest for lighting and medicinal purposes.

The seeds are collected from April to July, then dried and stored from June to December. After removal of the kernels, the seeds are crushed from October to December. The price of whole Neem seed ranged from Rs. 1-12 to Rs. 4 per maund.



The seeds are crushed exclusively in the ghanis, expellers not being used at all for the purpose. The cost of crushing is Rs. 2-10-6 per bag of 64 lbs. of seeds. The quantities of Neem seed crushed and oil produced in Bombay State during the year 1953, were estimated at 6,450 and 1,612 maunds respectively.

#### 6. Karanj (*Pongamia glabra*)

The total number of Karanj trees in the State was estimated at 2,31,979, out of which 1,73,985 bear fruit. The district-wise population is given below:

South Satara	66,356
North Satara	31,924
Dharwar	24,244
Surat	12,101
Colaba	10,197
Sholapur	9,216
Thana	9,209
Belgaum	9,039
Kaira	7,032
Sabarkanta	7,733

These ten districts account for 80% of the population of Karanj trees in the State while the remaining 20% is distributed over the other districts. Assuming that 1,73,895 trees bear fruit at the rate of one maund per tree, the total production of seed is estimated at 1,73,895 maunds or 6,213 tons.

The quantities of seeds crushed and oil produced in the State during 1951, 1952 and 1953 are given below:

Year	Tons	
	Seed Crushed	Oil Produced
1951	756	178
1952	986	210
1953	1,648	410

Collection of seeds is made from November to December and again March to July. Seeds from forest areas are collected by the contractors through a permit. The approximate share of each of the tree agencies concerned in assembling the seeds for the market, viz., labourer, village merchant and town merchant is 10%, 85% and 5% respectively. The oil mills purchase the seeds in assembling markets through commission agents or wholesale merchants.

The shells which form 5 per cent of the weight of the whole seeds are removed by hand. The dry kernels are crushed in mills and not by ghanis at all. The cost of crushing varies from Rs. 35 to Rs. 50 per ton of seed.

Karanj oil is used for medicinal purpose, as disinfectant soap making, and tanning leather.

The design of a suitable decortivating machine to replace the present practice of shelling by hand is suggested. The import of kird of oil from abroad should be discouraged in order to develop the greater utilisation of the indigenous Karanj oil.

#### 7. Undi-Punna (*Calophyllum inophyllum*)

The total number of trees in the State is estimated at 16,615 out of which North Kanara has 11,019, Ratnagiri 8,586 and Thana 10. The average yield per tree is



about 20 lbs. The total estimated production of seed is about 4,413 maunds, but the actual collection which is about 80%, is only 3,678 maunds. The undried kernel constituting 63% of the pods, derived from this quantity was 2,317 maunds and the dried kernels (70%) were 1,622 maunds. The oil extracted (at 40% oil content) was 648 maunds.

The trees flower twice in the year, namely January-February and June-July. The seeds after collection are dried in the sun for a week, the shell broken and the kernel cut into two, dried and stored. They are crushed in ghanis.

The cost of collection is Rs. 2 to 3 per maund and crushing Rs. 4 per maund.

x x x

## II MYSORE STATE

### I. Karanj (*Pongamia glabra*)

The total number of trees in Mysore State was estimated at 2,23,500 distributed over ten districts out of which three, namely, Tumkur, Kolar and Bangalore account for 88 per cent. The number of trees in the various districts is given below :-

S. No.	District	Number of Trees
1.	Tumkur	9,800
2.	Kolar	62,000
3.	Bangalore	36,000
4.	Mysore	9,000
5.	Mandya	5,000
6.	Bellary	5,000
7.	Chitaldrug	4,000
8.	Hassan	2,500
9.	Shimoga	1,500
10.	Chikmagalur	500

The yield per tree varies from 25 to 75 pounds, the average being about 50 pounds. It is estimated that only 75 per cent of the seeds produced is actually collected. Thus out of the total 2,23,500 trees, with an estimated production of 1,35,808 maunds of seed, the quantity actually collected in 1952-53 was estimated at 1,01,856.

The collection of seeds in the plains is from December to April, while, in the hilly regions, it is from February to June. The marketing begins in February and continues upto September.

The pods are broken with a wooden hammer or thick stick and winnowed. The seeds are disintegrated and crushed in expellers and 25% in ghanis. In the former, 25-26% of oil and 68-72% of cake are obtained, the wastage being 4-6%, while in the latter, oil is 18-22%, cake 71-74% and wastage 7-8%.

The oil is yellow, bitter with unpleasant smell and turns slightly red if stored for long. It is used mainly for lighting (26%) and tanning leather (72%). To a small extent is used also for soap (0.1%) and lubrication (1.8%).

The physical and chemical characteristics of the oil and cake are given below :

<b>Oil</b>	1. Specific gravity at 28° C	0.9354
	2. Acid value % of free fatty and Oleic acid	1.60
	3. Saponification value	169.9
	4. Iodine value	87.3



**Cake**

1. Nitrogen %	4.2
2. Phosphoric acid%	0.93
3. Potash %	3.89
4. Ash%	5.9
5. Moisture%	10.9

The entire production of oilcake (49,390 mds.) is sold by oil mill-owners to agriculturists.

The main purpose of growing the tree is for its green leaf which is puddled in paddy land prior to transplanting and left to decompose forming an excellent organic manure. The seed production therefore, depends upon the extent of paddy cultivation in the area where the trees grow.

## 2. Neem (*Azadirachta indica*)

The total number of trees in the State was estimated at 1.74 lakhs, 80% which is distributed over the four districts, Chitaldrug, Tumkur, Bellary and Kolar and the rest over the remaining six districts as will be seen from the figures given below :

S. No.	District	Number of Trees
1.	Chitaldrug	50,000
2.	Tumkur	35,000
3.	Bellary	30,000
4.	Kolar	25,000
5.	Shimoga	9,000
6.	Mandya	8,000
7.	Bangalore	8,000
8.	Mysore	4,000
9.	Hassan	3,000
10.	Chickmgalur	2,000

The yield per tree ranges from 20 to 80 lbs. of seed. It is stated that only 25% of the seed produced is collected and the rest wasted. The total production of Neem seed in the State is estimated at 87.06-lakh lbs. and the actual collection at 21.76 lakh lbs. The Kernel constitutes 25% of the weight of the seed.

The trees begin to flower in March, fruits are formed in April and May and they drop from the trees from the end of May onwards. The marketing of seeds is from June to August or even September. The principal markets are Chitaldrug, Tumkur and Shimoga.

The total production of Neem oil was estimated at 1,900 maunds utilised as below :

Lighting	1,400
Medicine	40
Lubrication	45
Soap	5

Neem seeds are mostly crushed in the village stone ghanis, the percentage of oil extracted varying from 25 to 26.

Neem oil is golden yellow in colour, bitter in taste and gives out a garlic odour.

## Characteristics of oil :

Specific Gravity at 28° C	0.9176
Acid percentage of free fatty acid expressed as Oleic acid	2.37
Saponification value	186.8
Iodine value	98.7



**Oilcake :**

Nitrogen % 5.04

Phosphoric acid % 1.66

Potash % 1.87

Ash % 6.4

Moisture % 11.2

**3. Mahua ( Bassia latifolia )**

The total number of trees in the State was estimated at 25,000 out of which 20,000 were in Tumkur, 1000 each in Bangalore and Kolar district and 500 in each of the other seven districts.

The yield of seed per tree varied between 75 and 125 lbs. with an average at 100. On the basis of the average yield per tree, the total production of seed estimated at 30,382 maunds out of which only about 75% or 22,787 maunds were actually collected and the rest wasted.

The seeds begin to fall from August to November and are collected as and when they fall. About 80 to 90% of the seeds are crushed in ghanis and 10% in expellers the oil obtained being 23-30% in the case of the former and 40% in the latter.

x x x

**III. MADHYA BHARAT STATE****I. Mahua (Bassia iatifolia)**

The total number of Mahua trees in the State was estimated at 5.22 lakhs with a production of 3.967 lakh maunds of seeds. The district-wise figures of trees and production are presented below :

S. No.	District	Number of trees	Prodct-tion (mds).
1.	Jhabua	2,00,000	2,00,000
2.	Dewas	75,000	45,000
3.	Guna	50,000	35,000
4.	Mandsaur	50,000	30,000
5.	Shivpuri	20,000	15,000
6.	Rajgarh	20,000	6,000
7.	Shajapur	20,000	10,000
8.	Ujjain	20,000	10,000
9.	Nimar	20,000	10,000
10.	Ratlam	15,000	10,000
11.	Dhar	15,000	7,500
12.	Indore	10,000	7,500
13.	Morena	3,500	2,000
14.	Gwalior	2,000	2,700
15.	Bhilas	1,500	6,000
Total		5,22,000	3,96,700

The average height of the tree is said to be about 50 feet. The flowers appear from February to April and seeds begin to develop in June soon after the flowers drop from the trees. The fruits begin to develop from the end of June and continue to do so in July. The villagers collect the seeds and store them in their houses where they are dried. The average yield of a tree may vary from 40 to 64 lbs., in Bhilsa and Guna



districts, to 80 lbs. in Alirajpur taluka of Jhabua district. The seeds are collected by the villagers or Adivasis and allowed to dry for a couple of days. In Jobat and Alirajpur petty businessmen open shops in the villages to collect the seeds. In other places, villagers take them to the weekly market for sale.

The important marketing centres of Mahua seeds are Alirajpur, Jobat, Babra, Ranapur, Shajapur, Ujjain, Sonkatch, Agra, Indore, Pachora and Kannod. Out of these Alirajpur is the biggest handling well over 50,000 maunds annually.

The oil has a buttery yellow appearance with sweet odour.

Melting point	47.8°C.
Specific Gravity	0.917
Saponification value	185-190
Iodine value	58.25
Unsaponifiable matter	2%
Refractive index	50-53

The hill tribes Adivasis use the oil for edible and burning purposes. It is used for soap making.

## 2. Neem ( *Azadirachta indica* )

The total number of trees in the State has been estimated at 4.31 lakhs and yield per tree at 40-63 lbs. of seed. Assuming the tree population at 4.31 lakhs and average yield per tree at 60 lbs. the total annual production of Neem seed in the State is estimated at 3.5 lakh maunds.

The district-wise figures are presented below :

S. District No.	Number of trees	Seed Production (mds)
1. Morena	60,000	10,000
2. Shivpuri	60,000	20,000
3. Dewas	50,000	50,000
4. Mandsaur	50,000	50,000
5. Ujjain	27,000	27,000
6. Dhar	25,000	25,000
7. Guna	25,000	25,000
8. Shajapur	20,000	20,000
9. Rajgarh	20,000	20,000
10. Nimar	20,000	20,000
11. Bhind	20,000	20,000
12. Gwalior	16,000	16,000
13. Jhabua	12,000	12,000
14. Ratlam	10,000	10,000
15. Indore	10,000	24,000
16. Bhilsa	6,000	6,000
	4,31,000	3,80,000

Flowering takes place from March to May and fruits appear from June to August. The fruits thus fall from the trees in the rainy season. The local practice of processing the seed at Karena and Pichhore is to soak the fruit in water for 2 days, and then wash and dry the seeds.

The kernel is removed from the seed by grinding stones and crushed in ghanis.

The price of the neem oil is 8 annas and that of the oilcake 1-1½ annas per pound.

The seed contains about 40% oil which is deep yellow in colour and has a disagreeable odour.



Saponification value	197
Iodine value	67.0
Unsaponifiable matter	1.7%
Acid value	36.0

## Constituents of mixed fatty acids :

Oleic	61.9 per cent
Linoleic	7.5 „ „
Palmitic	14.9 „ „
Stearic	14.4 „ „
Arachidonic	1.3 „ „

**3. Karanj (Pongamia glabra)**

The total number of trees in the State was estimated at 52,000. Assuming an average yield of 20 lbs. per tree, the total production in the State was estimated at 13,000 maunds. About 10% of the production is collected, the rest being wasted.

The district-wise figures are given below :

S.No.	District	Number of Trees	Seed production (Mds.)
1.	Mandsaur	8,000	2,000
2.	Ujjain	8,000	2,000
3.	Bhilsa	7,000	1,750
4.	Shajapur	5,000	1,250
5.	Shivpuri	5,000	1,250
6.	Gura	4,000	1,000
7.	Nimar	3,000	750
8.	Rajgarh	3,000	750
9.	Ratlam	2,000	500
10.	Devas	2,000	500
11.	Jhabua	2,000	500
12.	Dhar	1,600	400
13.	Bhind	500	125
14.	Indore	500	125
15.	Morena	300	75
16.	Gwalior	200	75
Total		52,100	13,050

The trees start bearing at 4-5 years of age and flower from April to June, the pods ripening from March to May of the following year. The kernel constitutes 95% of the weight of the pods. As no suitable decorticating device has been evolved so far, the kernels are removed by hand through a laborious process. The oil content of the seeds is 28-30%.

x x x

**IV. BHOPAL STATE****I. Mahua (Baasia latifolia)**

The total number of trees in the Reserve Forests and Revenue Village was estimated in 1952-53 at 1,88,000. The distributions, Tehsil and Range wise is given below :

**Tehsil-wise Distribution**

S. No.	Tehsil	Number of trees
1.	Begumganj	22,306
2.	Ashta	11,894
3.	Sehore	10,360
4.	Bhopal	6,228
5.	Nasrullahganj	6,128
6.	Berasia	5,788
7.	Silwani	4,901
8.	Udaipura	4,637
9.	Raisen	4,377
10.	Ichhawar	4,053
11.	Budni	4,053
12.	Chairatganj	2,854
13.	Bareli	1,395
14.	Goharganj	1,198
15.	Bhopal Municipality	38
16.	Sehore Municipality	25
Total		89,812



## Rangewise Distribution

S. No.	Range	Number of Trees
1.	Silwani	31,067
2.	Bari	22,052
3.	Garhi	17,402
4.	Raisen	8,816
5.	Goharganj	4,699
6.	Bhopal	4,275
7.	Berasia	4,250
8.	Budni	4,045
9.	Larkoi	1,088
10.	Ashta	41
Total		99,737

The average height of the trees is 40 feet, although many go upto 60 feet. They come into bearing 8-10 years after planting and yield till 60 years. The fruits ripen in the month of June. The yield of kernel varies from 20 to 25 lbs. per tree, the average being 35. The potential production was estimated at 2,950 tons out of which only 500 tons, representing 16 per cent, were collected.

The ripe fruits shed from the trees; sometimes the branches are shaken vigorously for harvesting the pods. The pods are shelled by hand and the kernels constituting 70 per cent of the weight of pods are dried.

The cost of crushing the kernels in wooden ghanis was estimated at Rs. 3 per maund. Although this contains 50-53% of oil, only 28-30% is extracted.

The oil solidifies at low temperatures into a yellowish ghee.

1. Specific Gravity at 30°C	0.8943
2. Acid value	8.8
3. Saponification value	194
4. Iodine value	92
5. Melting point	110°F
6. Colour	Pale yellow.

The oil is used for cooking by the aboriginal races and poor villagers and also as illuminant when kerosene was not available. It is used in soap making medicine, candle making etc.

## 2. Karanj (*Pongamia galbra*)

The tree is generally found along banks of rivers, streams and also as avenue along roads. It grows upto a height of 50 feet and girth of 14 feet in Sehore taluka. The average height is 30-35 feet and girth 4-5 feet. It is a slow growing tree and takes 6-7 years to bear fruit.

The total number of trees in the State was estimated at 28,000 only, out of which 27,500 were found in the revenue tehsils and the rest in forest areas. Out of the former, nearly 12,100 were found in Sehore tehsil alone. The average yield of a tree was estimated at 30-60 lbs. of seed. The collection of seeds extends from April to June. The seeds are shelled by beating them with stick. The shells constitute 13-15 per cent of the weight of seed.

The oil is yellow in colour, semi-solid at ordinary temperature, bitter in taste and on keeping turns red. The characteristics



as determined in the State laboratory are given below :

1. Specific gravity 0.916 – 0.925
2. Acid value 6.6 – 10.5
3. Saponification value 189.6 – 193.5
4. Iodine value 79.8 – 83.6
5. Unsaponifiable matter 1.3%

The oil is non-edible and has antiseptic properties. It is used for lubricating bullock-carts and agricultural implements. It was used as illuminant before kerosene. It is most suited for tanning leather.

Mahua trees can grow almost in any type of soil. The flowers are collected in the months of April and May.

### 3. Neem (*Azadirachta indica*)

The total number of trees in the State was estimated at 32,000, but not a single tree was utilised for collection of seed. The survey of seed production of a few trees at random revealed that it ranged from 25 to 65 lbs. per tree.

The oil analysed in the State laboratory had the following characteristics ;

1. Specific gravity 0.918
2. Acid Value 8.7
3. Iodine value 74.0
4. Saponification value 199.1

The oil content in the seed was 42 per cent. The oil has greenish colour, bitter taste and semi-solid at ordinary temperature.

x x x

### V. Vindhya Pradesh

The estimate of the district-wise population and seed-wise production of **Mahua** (*Bassia latifolia*), (**Neem** *Azadirachta indica*) and **Karanj** (*Pongamia glabra*) is presented below:

S.No.	District	Number of trees		
		Mahua	Neem	Karanj
1.	Shahdol	4,52,238	15,607	43
2.	Chhatarpur	4,08,230	53,722	1,443
3.	Rewa	1,82,135	46,867	1,557
4.	Sidhi	1,77,509	6,743	1,522
5.	Panna	1,42,102	13,975	1,962
6.	Satna	1,08,326	22,206	1,216
7.	Tikamgarh	29,568	61,442	1,518
8.	Datia	13,786	30,625	—
Total		15,13,894	2,51,187	9,261

	Yield of seed per tree lbs.	Total estimated production of seed in Mds.	Oil %	Total potential oil production in Mds.	Price in Rs. per Md. of Seed Oil	
Mahua	28	5,15,118	20	1,03,024	—	50
Neem	40	1,22,098	20	24,420	10	40
Karanj	16	1,801	25	450	10	40

Neem trees grow in almost all types of soil. The flowers appear in April and fruiting lasts from May to July.

x x x



## VI. TRAVANCORE COCHIN STATE

The State is rich in tropical vegetation and diversity of flora, by virtue of the heavy rainfall and mountainous nature of eastern margin along the entire length. It abounds in many species of trees producing oilseeds, such as *Melia Azadirachta*, *Bassia latifolia*, *Hydnocarpus wightiana*, *Calophyllum inophyllum*, *Pongamia glabra*. The trees grow wild and no systematic attempt has been made to collect the seeds and express the oil. The present wealth in these oilseeds not only remains unexploited, but is getting depleted year after year through the removal of large number of trees for fuel. The neglect of these minor oilseed bearing trees is due to the lack of steady market for large quantities of seeds at remunerative prices. Unless a steady and progressive demand is created for their oils, these oil-bearing trees will continue to remain neglected as in the past.

### (I) *Calophyllum* :

It is the most wide-spread of all, growing in coastal and central regions as well as hilly tracts. There are two species: *inophyllum* and *wightiana*. The trees and seeds of the former are larger in size and bear fruit twice a year, while the latter bears once in two or three years. While the oil content of both species of *Calophyllum* is about 60 per cent, it is stated that trees grown in the southern end of the State, yield a higher percentage of oil than those in the north. These trees can be used as good stand for pepper wine cultivation. As the flowers of *Calophy-*

*llum* attract honey bees in large numbers, apiaries can be established. Thus the establishment of *Calophyllum* plantations will provide oil, pepper, honey and at the end, when the trees are cut, wood for furniture, bead making and fuel, depending upon the quality of the wood obtained. It is, therefore, recommended in the report that in all out effort should be made on State level for establishment and maintenance of plantations.

The trees come to seed bearing between 3 and 4 years after planting the seed and continue to yield well from 10 to 30 years. An average adult tree may yield about 1,200 fruits at each of the two seasons in the year, February to May and September to November.

The ripe fruits are gathered, left over for 4 or 5 weeks, then shelled, sliced into two and dried for about a week. The dry kernels are crushed in stone ghanis in the south, but in wooden ghanis in the central and northern parts of the State.

In a single charge of kernels from 1,500 fruits in the ghani, about 3 lbs. of oil and 5 lbs. of cake can be obtained. Thus the yield of oil from a tree is estimated at 48 lbs. per annum.

The annual oil consumptions is estimated as follows:

1. Lighting one lakh rural houses at 20 lbs. each	17,857 cwts.
2. Lubricating 4,000 pairs coir spinning wheels at 36 lbs. each,	12,860 "
3. Soap making.	8,000 "
4. Export through Cochin Port	1,200 "
5. Miscellaneous	1,000 "
6. Export by rail	600 "
Total	41,517 "



**Uses :** The oil is used for illumination, medicine, soap making, lubrication, treating leather etc. The oilcake is a good manure.

**(a) *Hydnocarpus wightiana* :**

"Marotti" as it is locally called, grows in the central regions of the State, Particularly thriving on the hilly regions with laterite soils. The tree flowers in February-March, and the fruits ripen in October-December. The seeds contain about 35 per cent oil which is slightly yellow and on standing thickness ultimately attaining a butter-like consistency. The fleshy mass inside the fruit is highly poisonous.

The oil is used as a sedative, cure for

scabies and ulcers in the feet, rheumatism, skin diseases and leprosy. It was used as illuminant until the advent of cheaper kerosene.

The oilcake can be used as manure, but not as cattle-feed owing to its poisonous ingredients. It can be used as deterrent against ants and other insects. Rhinoceros beetle which attacks the bunds of the coconut trees are reported to be controlled by the application of the cake between the young leaves and terminal bud. Further research on the cake may yield a check and effective insecticide. As the wood of the trees is a good fuel possessing high calorific value, most trees are reported to have been cut down in recent times.

**Chemical And Physical Constants Of Oil**

	Specific gravity	Saponification value	Iodine value	Butyrometer refractive index
Marotti 250°C	0.958	207.0	101.3	81.5 (20°C)
Punna containing resin 16°C	0.931	196.4	95.3	76 (40°C)

**Analysis Of Oilcake**

	Nitrogen	Potash	Phosphoric Acid	Lime
Punna	3.025	1.119	0.836	0.146
Marotti	2.907	1.220	0.919	0.560

x

x

x

The Committee at its meeting held in January 1957, while considering "the increased production of oilseeds in India during the Second Five Year Plan," realised the importance of developing the non-edible minor forest oilseeds, and their utilisation in industry. It, therefore, recommended that due attention should be paid to the possibility of increasing

the utilisation minor of oilseeds of forest origin. Estimates should also be made as to the extent they are being utilised at present, together with their potential sustained yield. The possibility of economic collection of these seeds should also be kept in view in the estimates to be made. This matter might be referred to the Inspector General of Forests and any



financial assistance that may be necessary to take up the work, may be provided.

The above recommendations were communicated to the Inspector General of Forests, Ministry of Food and Agriculture, New Delhi, inviting his suggestion with regard to the measures to be adopted for estimation, collection and utilisation of non-edible minor oil seeds available in the forest areas.

### **Concerted Move**

The President in his address at January 1957 meeting, pointed out that the survey and utilisation of potential resources of non-edible oils has to be carried out in collaboration with oil Chemists, Technologists and representatives of the various industries utilising these oils. In addition to enlisting the co-operation of the Forest and Agriculture Departments in the various States, it was necessary to obtain the advice of the other interests mentioned above. A meeting was, therefore, convened by the Secretary of the Committee at Bombay on the 12th March 1957. The consensus of opinion expressed by the members may be summarised as below :

The first thing to be done is to organise an economic collection of the seeds, through village co-operatives at the appropriate centres. As the seeds now passed through various middlemen, inflating the cost, it was necessary to eliminate them with a view to making the collection economic. The price of oils extracted from such non-edible oilseeds of forest origin should be appreciably lower than those of edible oils. Arrangements

should be made for drying seeds immediately after collection in order to prevent the development of free fatty acids and the consequent deterioration of the oil. Solvent extraction of the oil was also necessary as mechanical processes would not be economical as all the available oil cannot be recovered. Further, most of these cakes are to be used as fertilizers only and not as cattle feed. For this purpose it is advisable to have cakes with the minimum oil content.

### **Complicated Problem**

Although considerable interest has recently been aroused in the development of non-edible oilseeds of forest origin in the country and their utilisation in the industry, no progress has been made in the collection of seeds, their processing to obtain the oils and their utilisation in industry. The problem is a complicated one, involving several aspects which have to be properly co-ordinated before tangible results could be achieved. The various aspects involved are :

1. Analytical and characterisation work in the laboratory to determine the physical and chemical properties of the oil, the composition of the seeds and the oils, etc.
2. Processing and utilisation of the seeds and the oils on a laboratory scale.
3. Similar experiments on a pilot plant scale.
4. Similar trials on a commercial scale.
5. Collection of the seeds and their



immediate processing so as to prevent their deterioration and thereby of the oil.

6. Conservation and propagation of the oilseed-bearing plants and trees.
7. Dissemination of available information.

### Concerted Efforts Needed

It will be seen that a very intimate and active collaboration and co-operation among the various agencies are essential to achieve a rapid development and utilisation of the non-edible minor oil-seed resources in the country. These agencies are the agricultural and forest departments of the various States, forest contractors, village co-operatives, oil technological laboratories, small and large scale industries utilising the oils such as oil mills, soap factories, paint factories etc. Although sporadic attempts have been made in the past with regard to the collection of oilseeds such as Pisa, Khakan, Neem, Kokum etc., and utilisation of their oils, no sustained efforts have been maintained, owing to the lack of an organisation comprehensive and powerful enough to bring all the various agencies together and co-ordinate their activities. The Indian Central Oil seeds Committee is in a position to assume this role.

### Concrete Proposals

The following concrete suggestions have been made :

1. Immediate efforts should be made to organise collection of oilseeds which

may be limited in the first instance to the following :-

S.No.	Popular Name	Botanical Name
1.	Neem	Azadirachta Indica
2.	Karanj	Pongamia
3.	Undi	Calophyllum inophyllum
4.	Mahua	Bassia latifolia
5.	Khakan	Salvadora oleoides
6.	Pisa	Actinodophne hookeri
7.	Kokum	Garicinia indica
8.	Dhupa	Vateria indica
9.	Kusum	Schloicheria trijuga

Although a good deal of research has been done on oils from the above plants, further work on a large scale should be undertaken.

2. It would be desirable to appoint a Special Officer whose duty would be to contact the Forest and Agricultural Officers of the various States seeking their co-operation, study the present methods of collection of seeds, suggest improvements, assist the various agencies in the collection of seeds, their storage, extraction, processing etc.

3. It is necessary to create interest in oil mills, factories and small industries to utilise the seeds. It would be necessary to contact them with a view to find out their needs and how best they could be met.

4. Systematic pilot plant trials should be conducted at one or two research institutes on every aspect of processing



the seeds and the oils extracted therefrom. Such work should include depulping, decorticating, milling, pressing, solvent extraction, fat splitting, distillation of fatty acids, refining and finally preparation of products such as soaps, fatty acids, lubricants, varnishes and surface-active agents. The information so obtained would prove immensely useful for application in industry.

A comprehensive note containing all the above was circulated to the members of the Technological Research Sub-Committee, Vegetable Oil Research Committee of the Council of Scientific and Industrial Research, Chief Conservators of Forest, Mysore, Madras and Kerala States and Inspectors General of Forests, Ministry of Food and Agriculture, Government of India.

## Wealth From Waste

1	MINIMUM PER CAPITA NUTRITIONAL FAT NEEDED	: 2.00 Oz. Per Day
2	MAXIMUM AVAILABLE AT PRESENT	: 0.35 „ „
3	OILS AVAILABLE FOR EDIBLE PURPOSES	: 11,00,000 Tons
4	EDIBLE OILS USED FOR INDUSTRIAL PURPOSES	: 1,68,000 Tons
5	TOTAL NON-EDIBLE OIL WEALTH IN THE COUNTRY	: 1,50,000 Tons
6	RELEASE OF EDIBLE OILS FOR NUTRITIONAL PURPOSES	: 1,50,000 Tons
7	ADDITIONAL PER CAPITA CONSUMPTION OF EDIBLE OILS MADE POSSIBLE	: 10 Per Cent

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# TEEPOL 710 IN OIL EXTRACTION

The use of TEEPOL 710 in extraction of oil from non-edible oilseeds has been the subject of research and experiment in the Seth Jamnalal Bajaj Village Industries Technical Institute at Maganwadi, Wardha. Dr. R. K. Shrivastava and Shri Kalookhan who have been carrying out these experiments, write :

In order to be able to compete with the large-scale sector in the production of soaps made primarily from non-edible oils, it is absolutely necessary to reduce the cost at which non-edible oils can be made available to the soap makers. From the work done at the Institute it is clear that the addition of water to the seeds at proper time plays a very important role and most water displaces oil from the surrounding protein molecules. Hence it was considered probable that surface active agent like Teepol 710 may tend to increase the efficiency of the ghani with increased yield and reduction of time needed per charge. With this end in view neem, pisa, and Khakan seeds were pressed with and without Teepol and the results compared.

**1. Neem :** The average yield of oil from neem kernels is 34% by the usual process. By using 2 cc. of Teepol 710 in 90 tola of water needed per charge, about 2-3% increase in the yield was noticed. Since the seed were about a year old  $2\frac{1}{2}$  to 3 hours per charge were needed but by the

use of Teepol 710 the pressing time was reduced to 2 hours.

## 2. Pisa : *Actinodaphne hookeri*

The kernels from these seeds, being old, did not form a cake and oil could be obtained only by the additional of groundnut cake to the extent of 1 to 2 lbs. per charge of 12 lbs. of pisa kernels. As the oil was solid at ordinary temperature pressing was done in a ghani fitted in the open and extraneous heat was applied by means of a burning taper. The percentages of oil obtained without and with Teepol were 53 and 60 respectively. Apart from the higher percentage of oil obtained, a great advantage by the use of Teepol was in the reduction of time of pressing that was reduced from 3 hours to 2 hours.

## 3. Khakan : *Salvadora oleoides*

There are two varieties of Khakan seeds, large and small. The large variety contains 34 - 38% clean dal in the pulpy seeds. The pulp was removed in a specially designed *sheller*. The dal contained a large quantity of yellow kernels and small quantity of green kernels. Without the use of Teepol 37 to 43% oil was obtained depending upon the green variety in the kernels, the percentage decreasing with higher percentage of green kernels.



By the use of Teepol the yield increased to 46%. A yellow oil was obtained in this case with very little odour.

The other variety consisting of small seeds could be decorticated by a stone chakki. However, the yeild was 42-43%, Teepol being used. The kernels were mixed yellow and green, with the green predominating; and the oil obtained was of green colour and characteristic strong odour.

From the above results it can be concluded that Teepol 710 helps in getting the maximum oil out of the oil seeds when pressed in ghani and also helps in reducing the time of pressing thus reducing the cost of production per lb. of oil. When Teepol is used, of course, the cake has got to be used as a manure only which ordinarily is the case with all non-edible oil cakes.

Since Teepol 710 is not available in this country, Teepol B-300 was tried in its place and was found to give satisfactory result with 8 cc. (about  $\frac{1}{3}$  tola) of Teepol B-300 in 22 oz. of water. It is available with Burmah-Shell house, Ballard Estate, Post Box No. 193, Bombay-I. Teepol worth about 3 naye Paise is used per charge (based on their quotation @ Rs. 1-49 per lb.)

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# AN IMPROVED STRAIN OF SAFFLOWER "N. 630"

By

J. A. PATIL,

And

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Oilseed crops have their own important place in the Agricultural economy of India. About 9 per cent of the total area shown under agricultural crops in India is devoted to oilseed crops. Edible oilseeds viz., groundnut, coconut, sesamum, rape-mustard, safflower and niger are more important non-edible oilseed crops like linseed, castor etc.

Safflower one of the edible oilseed crop has been recognized as an economic crops many centuries ago. Its cultivation is spread over various parts of the world both in the tropics and in the temperate zones. It extends from India, China and East Indies to Persia, Caucasus, Egypt, Italy, Germany and Spain and has been lately introduced into Australia and the United States of America. In India it is cultivated in most of the states mainly Bombay, Madhya Pradesh, Andra Pradesh, Mysore and North East of Madras. In Bombay State (reorganized) safflower is grown on an area of 7,80,000 acres for its oil. Ninety two per cent of the total area is confined to the

Deccan and Marathwada divisions.

Safflower is usually grown as a rabi mixed crop with rabi jawar, wheat or gram. It is also grown as a border crop since against stray cattle and trespassers. Young tender, succulent leaves are used as leafy vegetable for their iron and carotene content. They serve as a good palatable fodder. Powder from dried leaves is used for curdling milk. Straw coloured yellow edible oil is extracted from the seed and is used for culinary and lighting purposes and also as an adulterant of til oil. Oil is used for paints and varnishes. Cake (meal) is also an important by-product. It is a good concentrate for cattle and has a keeping quality. Uncorticated cake is a good organic manure. Wild birds, parrots and Turkeys eat its seed. Crushed seeds are found a good feed for poultry.

The improvement of safflower crop was undertaken at the agricultural Research Station, Niphad, District Nasik in 1935. Strain Niphad 630 was evolved by selection in the year 1942. Its branching on the main



stem starts from about 9.8 cms. from the ground surface. It flowers and matures in about 88 days and 130 days respectively and has yellow flowers. The plant attains a height of 80 cms. and puts forth 18.64 branches on an average. The lower most branch makes an angle of about  $53^{\circ}$  with the main stem. Its seeds are white in colour, medium in size with four ribs. It yields about 160 lbs. seed per acre as a mixed crop and gives 15 to 20 per cent more seed yield over local. It grows well in Nasik, Ahmednagar and Sholapur Districts of the Bombay Deccan. Other details are as below :

1. Number of flortcs per need ( Capitulum )	64. 88
2. Number of seed per head	20. 64
3. Number of heads (Capitula) per plant	51. 96
4. Seed length in mms.	0.744
5. Seed breadth in mms.	0.447
6. Weight of 100 seeds in gms.	5.022
7. Percentage of hull ( husk )	50. 83
8. Oil ( ether extract ) percentage	29. 10

(Countesy : "The Farmer"  
August 1958).

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# KHADI & VILLAGE INDUSTRIES BOARD

Constituted under Clause 10 of the Commission Act

## MEMBERS

1. Shri Vaikunth L. Mehta (Chairman)
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3. „ Dwarkanath Lele
4. „ G. Venkatachalapathy
5. „ Jhaverbhai Patel
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18. „ S. R. Nagappa Setty
19. „ A. Chidambara Reddy
20. Dr. Gopichand Bhargava, and
21. Shrimati K. P. Madhavan Nair



The Commission shall ordinarily consult the Board with respect to the discharge of its functions under the Act.

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## THE NEW REVOLUTION

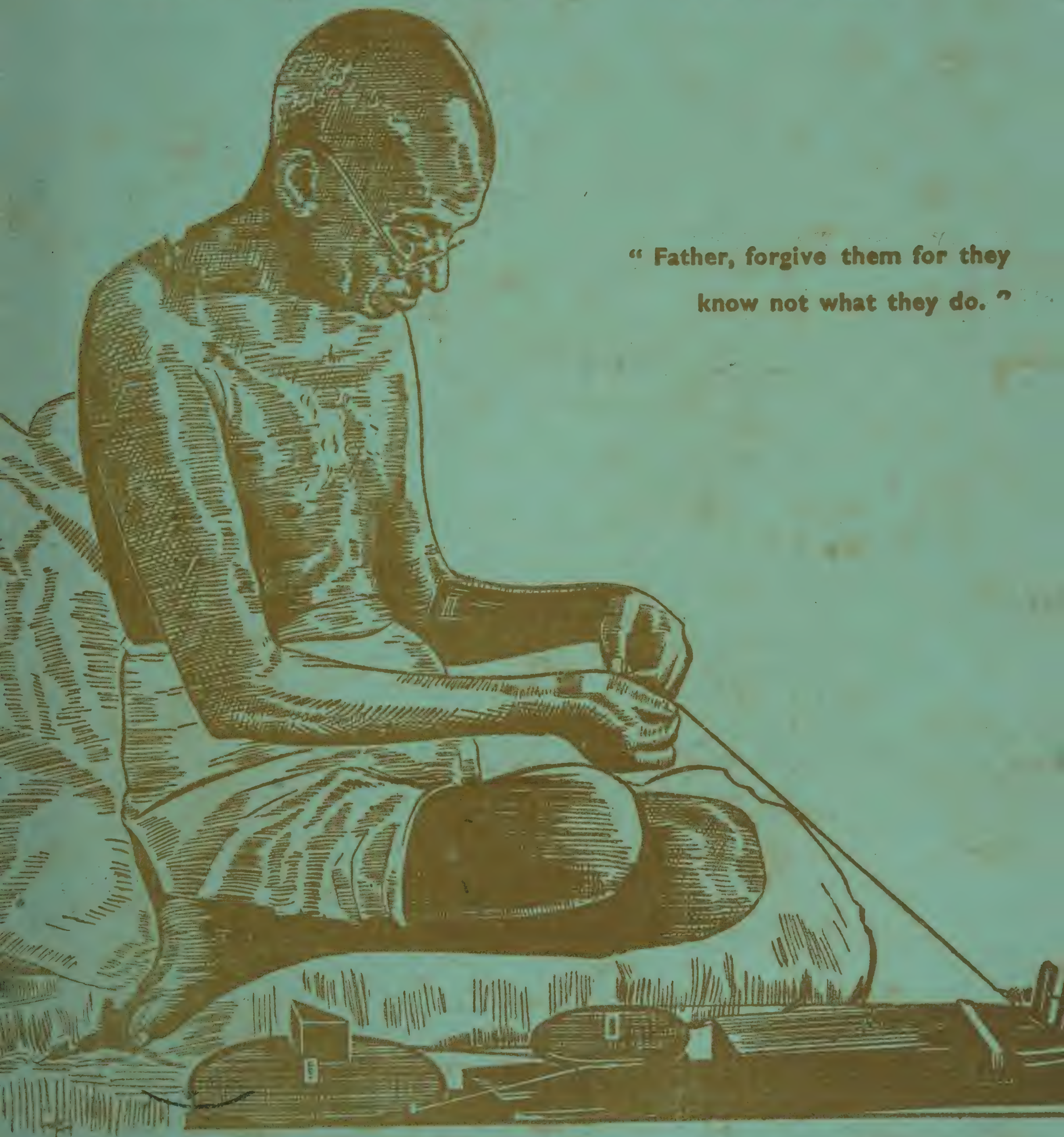
“ An important prong of the method is to devise a programme of self-help and self-government through which men – first those living in small communities may learn to manage their own affairs and, moved by the new ideas and values, co-operate together to create new institutions and forms of social life. To illustrate, side by side with bhoodan there is the programme of production for self and local consumption; of gramdan, which is a new agrarian economic order, and of gramswaraj, which is village self-government. The revolution in ideas as represented by bhoodan, sampattidan and gramdan and the revolution in the outward organisation of society represented by community ownership of land and community self-government together constitute a full revolutionary programme that is different both from revolutions of violence and revolutions made by law. ”

– **Jaya Prakash Narayan**

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FOURTH ANNUAL NUMBER



“ Father, forgive them for they  
know not what they do. ”



# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

## MEMBERS

- |                             |           |
|-----------------------------|-----------|
| 1. Shri Vaikunth L. Mehta   | Chairman  |
| 2. Shri Pranalal S. Kapadia | Secretary |
| 3. Shri R. Srinivasan       |           |
| 4. Shri Shriman Narayan     |           |
| 5. Shri Dwarkanath Lele     |           |

## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan, organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries.
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.



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Sir,

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P. T. O.

Yours faithfully,



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It is hereby notified that no such conversion will be permitted.

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**KHADI & VILLAGE INDUSTRIES COMMISSION**

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# KHADI — GRAMODYOG

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VOL. 5

OCTOBER 1958

NO. 1

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## STRUGGLE FOR EXISTENCE

(BY : VAIKUNTH L. MEHTA)

It is now four years since the All India Khadi and Village Industries Board (now functioning through the Khadi and Village Industries Commission) decided to have an organ of its own. That monthly organ now enters upon its fifth year. In addition, the Commission conducts a weekly Journal "Jagriti" published both in Hindi and in English. In some parts of India, for instance, Rajasthan and Bihar, local organisations have started journals in regional languages to propagate the cause of Khadi and other village industries. A Hindi periodical entitled "Ambar Patrika" gives information regularly about the performance of the Ambar Charkha and the technical improvements that are in progress. Periodicals like "Kurukshetra" also give publicity to activities comprised in the village industries programme.

Despite all these efforts it will be idle to claim that to-day there is much greater diffusion of knowledge about the basic

concepts of this movement for the decentralized production of consumers' goods. It may be that a larger mass of information is available and that, in all probability, it reaches a certain number of persons who are not associated with the carrying out of the programme. But our efforts have to be redoubled before we can interest and then carry conviction to the large numbers, particularly those of the younger generation to whom the fact that Khadi and Village Industries constituted an integral part of Mahatma Gandhiji's constructive programme possesses, if at all, only a sentimental significance. That circumstanced as we are, the movement for the revival and reorganization of village industries provides the best remedy for the evils of rural unemployment, poverty and stagnation is a lesson that the vast majority of us, both young and old, have still to learn.

When Gandhiji founded the All India Khadi and Village Industries Association



some 24 years back, in the forefront of its programme was the encouragement of the production and use of handpounded rice in preference to polished rice turned out by mills. Production by hand is to be encouraged, because, with the starting of mills, large numbers who in the agricultural off-season used to find employment through the handprocessing industry, are increasingly thrown out of work, swelling the ranks of the underemployed and increasing the pressure of population on the land. Besides, the milling of rice involves wastage in the shape of a lower outturn, so that in times of shortage of supplies such as those through which we are now passing, the need for conservation of our supplies of rice should become a paramount consideration. Lastly, as all recognized authorities on the subject of nutrition have pointed out, polishing detracts from the value of rice as an important ingredient in our daily dietary. And yet the preference for white polished rice continues because of our inability so far to carry conviction especially to urban populations. Here is a field where there is scope for persistent efforts at public education, both intensive and extensive.

Another item in the programme of the All India Khadi and Village Industries Association was the reorganisation of the oil ghani industry. Notwithstanding the efforts then made by way both of propaganda and of reconstruction, the indigenous oil crushing industry is in a worse plight than it was before the War. Nearly half of the oil ghanis remain either idle or

are only partially worked, while until recently the number of oil mills and expellers went on increasing. Those engaged in the industry represent a hardworking intelligent occupational group, large numbers of whom, deprived of their main source of livelihood, either crowd the ranks of agriculturists or congregate in urban areas in search of alternative employment. This disturbance in economy has taken place before our eyes. However, the bulk of us are oblivious of the social implications. The dangers have to be pointed out again so that all the attempts made to revive and to reorganise the indigenous industry do not get overwhelmed with the strengthening of the organised largescale sector of the industry.

Even more closely identified with the life and teaching of Gandhiji is the movement for the production of hand-spun hand-woven cloth. Still, there are among us numbers who, having wrongly interpreted the teachings of Indian economists that our economy should be diversified, consider that such diversification necessarily means industrialisation of the large scale variety. By adducing facts and figures and by presenting cogent arguments, through "Khadi Gramodyog" and similar journals we have to carry conviction to all sections of the community especially those who mould our economic policy and those who are in charge of the country's destiny that without the development of the Khadi industry it is difficult to conceive of a healthy and stable economy. It is the industry most suited for various reasons, to meet



the peculiar requirements of our rural economy and it offers the best hope for easing the problem of rural underemployment and unemployment.

Even before the Ambar Charkha became part of this programme, the industry was worthy of national support. With the introduction of the Ambar Charkha, it becomes possible to enlarge the field of effort and to reduce the quantum of State assistance. All such aid is part of the cost

that the national exchequer has to bear for redressing the state of imbalance in which rural economy finds itself. Those who are affected constitute the most disadvantaged and underprivileged sections of the Community. The nation can rise only when these are enabled to march on the road to economic betterment along with the rest of us who are admittedly much better circumstanced in the struggle for existence.

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Villages can produce cloth wherever cotton is grown. But when Khadi is mentioned all economists hesitate. I cannot say that they are in the hands of capitalists, but the idea of not letting villages produce Khadi is a capitalist idea. In this both capitalists and Communists agree. The two have the same ideas about production. They differ over the distribution of what is produced. In the case of Khadi, consciously or unconsciously, capitalist idea is being supported.

— Vinoba.



# MESSAGES

## NOT SO ODD

In this changing world, so dominated by science, it appears rather odd for people to talk about Khadi and Village Industries. Though it may appear so, there really is nothing odd about it, nor indeed is there any conflict with science and modern technique.

We must accept science and modern technique and it is only in that context that a country can make progress. But why should we think that this acceptance involves some conflict with village industries? It need not do so.

First of all, we have to remember that even village industries should utilise modern technique in so far as it can be adapted to them. Secondly that in the present state of India, however the big industries might advance, there is a large field which can only be filled by village industries.

I have no doubt about the importance of Khadi and Village Industries in the India of today. They fulfil an essential need. We should always try to introduce the latest technique in these village industries of ours.

—Jawaharlal Nehru.



## KHADI GRAMODYOG

"Khadi-Gramodyog" is now entering the 5th year of its career as a journal devoted to the cause of promoting Khadi and Village Industries. In the programme of national reconstruction Khadi and Village Industries have a place of utmost significance. They provide the means for converting unemployment and under-employment into work which is productive as well as creative. The journal has served to focus public attention on the importance of these industries. I should like to congratulate "Khadi-Gramodyog" for the useful services it has rendered and to send my best wishes for its continued growth and progress.

-Govind Ballabh Pant.

## ITS MISSION

'Khadi-Gramodyog' has come to occupy a significant place in the developing literature pertaining to village industries. It has not only helped in confirming the faith of old believers in Khadi, but what is more important it has also helped others not so well acquainted with the scope and effectiveness of village industries to understand and realise its efficacy and usefulness. I hope the progress which the journal has made will continue and I wish it every success.

-Lal Bahadur.



## YEOMAN'S SERVICE

The primary object of developing khadi and other village industries in rural areas is to extend work opportunities to the unemployed and under-employed, raise the low levels of incomes and to bring about a more balanced and integrated rural economy. The social imperativeness behind the development of cottage industries cannot be under-rated. It is equally imperative that efforts should be concentrated on measures to increase the competitive strength of these crafts by introduction of improved techniques of production, co-operative marketing and arrangements for supply of raw materials of good quality at a reasonable cost.

The "Khadi Gramodyog" has been doing a yeoman's service to the cause of Khadi and Village Industries by focussing attention of the Government as well as the general public on the problems facing these industries and offering constructive suggestions to solve them.

I am glad to know that its fifth Annual Number is coming out shortly and look forward to reading it. I send all my good wishes.

—Gulzarilal Nanda.



## THE USEFUL JOURNAL

I am very glad to learn that "Khadi-Gramodyog" is issuing its 5th annual number, and I hasten to send it and its devoted and self-denying workers, my warmest greetings and good wishes on the occasion.

For the last four years, it has been regularly appearing both in English and in Hindi, and has brought home to countless men and women of our land, the value of village industries, both for personal and national well-being. The work that Mahatma Gandhi started with his clarion call for Khadi-nearly forty years ago, has been very fittingly and successfully carried on by the Khadi and Village Industries Commission, under the auspices of which this useful journal is being published.

It is my earnest hope and prayer that more and more men and women may be able to avail themselves of the message of "Khadi Gramodyog" and implement the same in their own lives so that the many problems - social, economic and spiritual - that are troubling us to-day, may be resolved, and we might be worthy of our Swaraj and the great Master that gave it to us.

-Sri Prakasa.



## THE GREAT TASK

Second of October is a day dedicated by Gandhiji to the cause of Daridranarayan through Khadi and Gramodyog. The significance of Gandhiji's life was loving service and, as a dedicated servant of the country, he took upon himself the onerous task of redeeming the pledge of full emancipation to the people in all walks of life. Political emancipation has been secured. Economic emancipation is still beyond our reach. It is only through Khadi and Gramodyog that we can make a difference at the economic level of the millions of free citizens of India, so that they can appreciate the political freedom. It is bare justice to them that we must engage ourselves into this great task.

-U. N. Dhebar.



**BEST WISHES**

It is a matter of great joy to me that the monthly magazine "Khadi Gramodyog" published by Khadi and Village Industries Commission is entering the fifth year of its publication and I take this opportunity to send my best wishes on the happy occasion.

In our task of national reconstruction, Khadi and Village Industries have to play a vital role in the economy of the nation. In the Second Five Year Plan, Khadi and Village Industries have been accorded the same priority which large-scale Industries enjoy for the industrialisation of the country. It is through the development of Khadi and Village Industries that we can build a balanced economy and maintain the cultural values of our national heritage. It is of paramount importance to the country that the people get employment nearer their homes instead of their being drawn away to cities. "Khadi-Gramodyog" magazine is, therefore, rendering yeoman's service in its endeavour to discuss problems relating to Khadi and Village Industries with periodical reviews of progress achieved in the working of the schemes and programmes executed by the Khadi and Village Industries Commission.

I wish it all success.

-Y. B. Chavan.



## ITS CAUSE WILL SPREAD

I am happy to note that "Khadi-Gramodyog" has entered the 5th year of its publication. Being a Magazine in English and in Hindi its usefulness will spread to a large number of people. I hope the object of the journal of focussing the public attention on the importance of the Khadi and Village Industries in rebuilding of Free India will be attained in full ere long.

I wish the journal every success.

-M. Bhaktavatsalam.

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# RANDOM REFLECTIONS

( BY THE EDITOR )

With this issue "Khadi-Gramodyog" enters the fifth year of its publication. Started on the Gandhi Jayanti Day four years ago, ours has been a humble effort at the propagations and popularisation of the cause of Khadi and village industries. It has not been an easy task. In this age of advanced science, scientific marvels and technological revolutions, it seemed odd to many people in our own country that we should talk of "primitive methods of production" with which Khadi and village industries are often associated. With the coming of the sputnik and the exciting prospect of going to the Moon and conquest of the outer space, man is giving up his humanity and is turning to crystal gazing. He is progressively forgetting the message and meaning of the teachings of the prophets of all times that the Kingdom of Heaven is here on this earth. God and the good way are becoming back numbers on the calendar of "Progress". The result has been that reality has ceased to have meaning. Man degenerated and his moral standards of behaviour fell. The beast in him began to manifest itself more and more. The social mores which distinguished him from the animal and which moulded his sense of values were lost in the mad rush for pelf, power and privilege. Concepts of humanity and human conduct became

subjects of small talk at cocktail parties.

## Technocrazy

As our Prime Minister once said: "Science has advanced faster than man's mind". The forces that science has unleashed have, therefore, become beyond man's capacity to comprehend and control. The source of all social maladies that afflict man today can be traced to this one fact. Technocrazy is but one aspect of this malady. Gandhiji warned us against this craze for machinery and, with vision and wisdom, he called on us to think anew. He told us that "any plan which exploited the raw materials of a country and neglected the potentially more powerful manpower is lopsided and can never tend to establish human equality". Our Prime Minister amplified this when he told us: "Any scheme which involves the wastage of our labour power or which throws people out of employment is bad. From the purely economic point of view, even apart from the human aspect it may be more profitable to use more labour power and less specialised machinery. It is better to find employment for large numbers of people at a low income level than to keep most of them unemployed. It is possible also that the total wealth produced by a large number of cottage industries might be greater than that of



some other factories producing the same kind of goods". In other words, production by the masses, in the Indian conditions, is preferable to mass production methods. During these four years "Khadi-Gramodyog" has attempted to give expression to these ideas and propagate them. In doing so it has tried to avoid appeals to mere sentiments and finer emotions of the heart. It has been its endeavour to discuss these ideas in relation to the population and problems of economic development which face our nation. What effect has our effort had?

### Denied Opportunity

If the message that are published elsewhere are any indication about the effect of the effort of these years, there is reason to believe that "Khadi-Gramodyog" is serving a useful purpose. In its approach to the problems relating to these industries it has tried to be as objective as possible. It has, however, been necessary on occasions to introduce a crusading spirit and zeal into its advocacy to bring home a point or an argument. If such crusading zeal has found its way, in the presentation and advocacy of the case for Khadi and village industries, it has been due to the misunderstanding, often malicious, attacks from entrenched vested interests. Khadi and village industries are neither new nor novel innovations. These had been in existence for centuries and constituted the mainstay of the rural economy of the country. They provided gainful occupation to large numbers of people not engaged in agriculture and acted as supplementary sources of income to those engaged in

agriculture in the off-season. Thus, industry and agriculture went hand-in-hand and had established a harmony which worked for the welfare of the people and the prosperity of the countryside. If time and circumstance had been favourable to them, these industries would have absorbed the new trends and techniques of processing and production consequent on the advance of science and technology. Such opportunity, however, was denied to them by man. Imitation of Western industrialism by entrepreneurs in our country and the policy of hostility of an alien government together contributed to the decay and death of most of these industries. There would have been no regret if the new line of industrial development had provided alternative occupations and sources of earning to the millions engaged in Khadi and village industries. This did not take place. They were driven out of their occupations and forced down the economic ladder, so much so that there are millions of our people in the countryside living on the verge of starvation.

### Three Obstacles

No nation which has such a large number of people steeped in poverty, disease and squalor can hope to advance and prosper. The basic condition for economic development is the opportunity that development programmes bring to the lowliest for economic growth. It is this consideration that has persuaded our national planners to give to Khadi and village industries their natural place of importance in the scheme of national development. Yet, there is still a woe



lack of appreciation and understanding of the complex and difficult problems that confront efforts at the organisation and development of these industries. Among these problems are :—

firstly, the poverty of the people ;

secondly, the rampant illiteracy among them ; and

thirdly, a sense of fatalism which operates against progress, that has overtaken an otherwise industrious people.

The last is the result of years of slavery, forced idleness and the consequent sub-standard living to which they were condemned. In the effort at the revival and reorganisation of these village industries, therefore, we have first to fight and overcome this deadening sense of fatalism and rouse in the masses the desire to work and produce. This is a great task and the more one gets closer to the problem, the more puzzling it becomes. That, perhaps, explains the relatively unspectacular progress, though much effort has been put forth for revitalising these industries during the last five years. " Khadi-Gramodyog " has tried to bring these factors to public notice from time to time to indicate the direction in which they could be dealt with in a more energetic and realistic way. But a concerted drive which could have created conditions favourable for spectacular progress, could not materialise for various reasons. Though different agencies had been set up and have been operating in the field of rural reconstruction and welfare, there has not been that amount of

cooperation and coordination among them. This lack of cooperation and coordination militated against an effective attack on these factors. Thanks, however to the efforts and experiences of these different agencies, there is today an awareness among all of them of the need for active coordination of programmes and cooperation in their prosecution in the field. This awareness has helped to bring these different agencies closer together and in the process a more realistic appreciation of the problems that confronted each of them.

### Co-ordination

The first manifestation of co-ordinated endeavour came with the stating of Pilot Projects in selected development blocks under the community development programme. The success in co-ordination of activities in these projects by personal contacts and mutual consultations and discussions, gave hope of early formulation of integrated development programmes for the countryside. Thus, the relations between the Khadi and Village Industries Commission and the Community Development Programme Administration have grown more and more intimate, so much so that the Commission's programmes for the development of Khadi and village industries have been incorporated as an integral part of the programme of community development. In the Central Offices of the Commission a department has been set up to deal with this work. During the last year, as a result of these growing relations, a sum of Rs. 82 lakhs was placed at the disposal of the Community Development Administration for expenditure on village industries pro-



grammes. This year a new method of closer association was evolved by holding joint consultations and a programme involving an expenditure of nearly a crore of rupees has been mutually agreed upon. This development has given greater assurance of a more rapid progress in the fight, to remove the stupor in village communities and in creating conditions for enlisting them for productive work.

### **State Boards**

Another development at coordinated effort at State Level is the bringing together of statutory State Khadi and Village Industries Boards and the Khadi Commission in a very fruitful conference and in chalking out programmes and working out details of development expenditure in the States after joint examination of schemes and discussions about the method and manner of their implementation. The recognition of these Statutory State Boards as the normal agency through which the Khadi Commission would channellise its assistance programmes, has ensured the application of more systematic methods in organisation, supervision, field service and control and in the assessment of progress.

A third direction in which the attack has been projected is the closer integration between the Gramdan Movement and the Khadi Commission's schemes. By agreement with the Sarva Seva Sangh, the Commission has drawn up a scheme of training workers and of assistance in the organisation of Khadi and village industries in

Gramdan villages on a priority basis.

Thus, the cooperation and coordination that is increasingly being effected between the three main currents which go to create a New Life Movement in the countryside namely, the Community Development Administration, the Gramdan Movement and the Khadi and Village Industries Commission with which the numerous recognised registered institutions are associated promise to introduce a new tone and temper in rural development activities.

### **New Trend**

It is against this background that "Khadi-Gramodyog" enters its 5th year of work. It will be our endeavour to strengthen this rising sense of cooperation and coordinated effort and to promote the new trend in organisation that is becoming more pronounced in the approach of the Khadi Commission. This new trend is the increasing emphasis of cooperativisation of Khadi and village industries production. The Khadi Commission has taken important steps for steady development of co-operative societies in this field. The task, however, presents very difficult problems. Among these Problems are the nature of these industries, their dispersal over wide areas and the utter resourcelessness of the artisans engaged in them. Another problem is the non-availability of adequately trained and competent managerial personnel and organising skills. Efforts are being made to meet these problems in a practical manner. Curricula in the many Vidyalayas run or assisted by the Khadi Commission are being revised and adopted to meet these requirements



organisation. Model bye laws for Khadi Societies and Ambar Charkha Programme organisation have been framed. A Directorate of Co-operation has been organised at the Head quarters of the Commission. This Directorate has already taken significant steps for the promotion of co-operative organisation in these industries and for the consolidation of societies that have grown up during these years. Financial assistance for both share and working capital has been decided upon. For speedy organisation and proper supervisory control over the cooperatives, the Commission has offered to meet the salary of an officer of the status of a Deputy Registrar of cooperative Societies or an Assistant Director of Industries to be attached to the Departments of Cooperation and Industries under the State Governments.

### **Bright Prospect**

Similarly, for the prosecution of its programme in relation to Gramdan Villages, a Directorate of Swavalamban has been created. In addition, the Khadi Commission has decided to provide for expenditure on staff which will be attached to the State Khadi and Village Industries Boards for the implementation of development programmes in the States. These decisions of the Commission have already had a significant effect and the prospect of future development of promotion of Khadi and village industries in the country has assumed a brighter outlook. All these developments could not have taken place but for the experiences gained during the last four or five years of efforts by the Khadi

and Village Industries Commission on the one hand, and of those of the other agencies in the field on the other. To bring these experience to the fore and to explain their implications on the course of future developments, "Khadi-Gramodyog" has also made its humble contribution.

### **A Proud Record**

A year ago reviewing the results of the working of the schemes and programmes of the Khadi and Village Industries Commission, we noted that additional employment provided by them was of the order of 12 lakhs of persons. Of these 12 lakhs, nearly 8 lakhs 7,96,000 to be exact were engaged in Khadi production alone. Between then and now derived figures of employment show that 18 lakhs persons are engaged in the production of traditional Khadi and in other village industries. The Ambar Charkha Programme which stands on a different category altogether, has also shown substantial improvement. By the end of August last year, 1,14,688 Ambar Charkhas had been manufactured, nearly 90,000 spinners had been trained and over 77,000 Ambar Charkhas had been distributed among the trained spinners for independent operation. In other words, the Ambar Charkha programme had resulted in giving employment to nearly 80,000 new spinners and a large number of carpenters and others. Today the number of persons trained in Ambar spinning exceed two lakhs and the number of charkhas distributed for independent operation has also reached the figure of over 1,70,000. Effective employment under the Ambar charkha pro-



gramme today is somewhere near 2 lakhs – 1,94,321 to be exact persons. Thus in the course of five years of operation in the direction of promoting Khadi and village industries in the country, employment has been provided to nearly 20 lakhs of persons in the countryside. The figure, by no means, negligible. In fact it is indicative of the potentiality of Khadi and village industries in making an effective contribution to the solution of unemployment and underemployment in the country, on the one hand, and their contribution to creating conditions of rapid economic growth on the other.

### **The Eye-opener**

When these facts are sufficiently known, even the most cynical amongst the critics of Khadi and village industries will have to look up and re-evaluate their earlier antagonism towards these programmes. They may, however, still ask: 'Employment at what level'? The answer is simple. The level at what employment is provided is not so important as the fact that so many persons have been put on productive work where there was none. The importance of this will be recognised by thinking persons, including economic pundits. As our Prime Minister points out: "It is better to find employment for large numbers of people than to keep most of them unemployed". Or, as the United Nations Economic and Social Council says:

"In the circumstances prevailing in under-developed areas, the raising of average levels of living is less a matter of effecting large increases in the incomes

of a small minority in the community than of ensuring a steady, if small, increase in incomes of the majority. In most of the less developed countries this majority is large and rural, working at agricultural tasks in which its marginal productivity is extremely low. In such countries the raising of average productivity is the prime task of economic development. Initially, and to a large extent this must be undertaken in the agricultural sector itself. In many cases, however, the diversion of unemployed rural labour to other occupations is an urgent requirement for development. Even when productivity in the new tasks is lower than that normally found in comparable tasks in the more advanced countries, it is likely to be, or to become, comparatively short time to become appreciably higher than it was in agriculture. In such circumstances secondary industry becomes an important means of development".

### **Productivity And Products**

The important fact is that 20 lakhs persons have found gainful employment as a result of the operation of schemes for development of Khadi and village industries in the short period of five years. In the prevailing employment situation in the country, this achievement in a substantial contribution to tone up economic development programmes and to persuade the State to have a better appreciation of the importance of these programmes, the need for their more effective organisation and the provision of more favourable operative facilities, Side by side



efforts are necessary to effect improvements in these industries both in the direction of productivity and the quality of other products. In fact the Khadi and Village Industries Commission and the institutions engaged in these activities are alive to these needs. On the Ambar Charkha side constant experiments are being carried out and new improvements are being effected. Khadi workers meet together periodically and examine the progress made. The Commission had announced the award of Rs. 1,00,000 for the invention of a new hand-spinning device which could satisfy prescribed competitions of productivity and quality of yarn so that hand-spinners may be enabled to earn a reasonable living wage. Several entries have been received in response to the announcement of this award. A panel of judges has examined these new innovations. As some of the competitors expressed the desire to have workshop and research facilities before they could finalise their inventions, the Commission has offered them these facilities and it is expected that in the next few months a new Charkha might come on the scene.

### Research

Similarly, research and experiments are being carried out on a number of other village industries in the Commission's Central Research Institute at Maganwadi, Wardha. A report of these research experiments and the results obtained so far is published elsewhere in this issue. This will show that, while we are pursuing Khadi and village industries activities with traditional techni-

ques, constant efforts are being made to effect in them. We agree with Shri Jawaharlal Nehru when he says ; "We must accept science and modern technique and it is only in that context that a country can make progress. But why should we think that this acceptance involves some conflict with the village industries? It need not do so." In fact there is no conflict. We can assure him that we are as conscious as anyone else of the importance of the proper utilisation of modern scientific knowledge and technological innovations to the best advantage of Khadi and village industries so that these may be organised as effective decentralised sectors of production offering employment opportunities to larger and larger numbers of persons and promoting local production activities and thus, sowing the seeds of rapid economic growth.

### Quality Control

An indication of the utilisation of modern knowledge to the production of village industries articles can be had from the progress made in several of them in the direction of quality fixation. Thus, for example, in the Beekeeping Industry, the Indian Council of Agricultural Research has formulated specifications for quality control for assurance of the purity of the honey produced. These specifications have been accepted. In soap made out of non-edible oils also, a Committee has been appointed to assess the quality of soaps produced in the many production units started with the assistance of the Commission and to prescribe prescriptions for quality production. Side by side,



schemes to establish testing laboratories have also been sanctioned. In the Hand Made Paper Industry, too, an Advisory Committee is engaged in studying problems of the hand-made papers produced by the production centres. Similar efforts are being made in the organisation of Carcass Recovery Centres and Village Tanneries. Continuous experiments continue to be made to improve the quality of Gur and Khandsari production and Tad Gur Manufacture. In village Pottery, improved equipments and furnaces are being designed for the benefit of potters. New lines such as the manufacture of tiles of different types, pipes and bricks are also being encouraged and training and research facilities have been provided at the Commission's Institute at Khanapur. Introduction of glazed pottery has been accepted and experiments are in progress.

Thus, industry by industry, efforts are continuously in progress for improving the tools, techniques and quality of the products of village industries. From all these, it will be evident that, though progress may not have been as demonstrable and spectacular as one would have expected, improvements in several directions so far achieved are substantial and ensure steady development of these industries in the years to come.

### Field work

The Khadi and Village Industries Commission is anxious that, while research experiments and other steps for the improvement of village industries should go on unabated, the quality of the work in the field should also be subjected to

periodical examination. Between October last year and now, the Commission has taken a series of steps in this direction. A committee was appointed to inquire into the organisation of the Ambar Charkha Programme under the Chairmanship of Shri A. Zaman. The Committee was asked to recommend how best the programme could be organised to yield satisfactory results. Another step taken was to institute a field enquiry into the working of the Ambar charkha programme and to assess the adequacy or otherwise of the arrangements in existence for the execution of the programme and for its expansion. Another enquiry was carried out to investigate the problem of palm tree rent and how it affected the development of the Palm Gur Industry. An evaluation of the Palm Gur industry in Rajasthan was also completed. An Evaluation Committee under the Chairmanship of Shri Maganbhai Desai and consisting of well-known economists was appointed to assess the working of the Intensive Area Schemes of the Commission. The reports of these inquiries and investigations have now been made available to the Commission and their recommendations have been published. A Committee headed by Shri R. S. Hukkerikar is engaged in an assessment of the cottage Match Industry, while another Committee consisting of Members of the Khadi and Village Industries Board has been appointed to evaluate progress in the States. A Study Team to investigate the special problems of Assam was also appointed under the Chairmanship of Shri Ananda Prasad Chaudhary. The report of the team is expected at an early date.

Reference is made to these steps taken



by the Commission in order to show its anxiety that implementation of its scheme and programmes should be as thorough and efficient as is humanly possible. We have often pointed out how difficult the task is. But for the missionary zeal, enthusiasm and ceaseless efforts of the Commission, the institutions associated with its endeavour and the thousands of workers in the field what has been achieved would have been well-nigh impossible. Unlike modern industrial organisations, village industries present numerous problems which often defy solution

and bring despair even to the most ardent of spirits. None but the devoted and the dedicated will have the patience and the perseverance to grapple with these problems which are human, social, economic and psychological. In assessing, therefore, the value of the work done and results attained, these factors have to be taken seriously into consideration. When this is done, even the most carping amongst the critics of Khadi and village industries will admit that the effort has been worthwhile and should be pursued with determination, energy and zeal.

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I have no partiality for return to the primitive methods of grinding and husking for the sake of them. I suggest the return, because there is no other way of giving employment to the millions of villagers who are living in idleness.

— Gandhiji



# THE QUEST FOR ANSWER

(BY S. K. DEY)

Democracy as a rule of life is yet in its infancy even in the oldest of democracies. In a country such as ours, it may be considered still in its embryonic stage. Democracy is based on the hypothesis that all men are born equal and that theirs will be an adventure in life for co-existence, with co-exploitation progressively receding to the background. Democracy cannot survive long if one citizen lives on another or one group on another group at home or abroad. Democracy grows thus to be a world philosophy indivisible in character. On no other basis has it a chance to survive.

From the sputnik to the spinning wheel is a far cry. In this nuclear age, there is an evergrowing compulsion of events for the centralisation of the activities of the human community. Democracy can hardly survive unless there is a blending of the centrifugal and the centripetal forces, and a guarantee of the freedom of the spirit of man. An individual cannot be free unless he is so economically. In a modern industrialised society, economic freedom can be earned by the masses of people only with a surrender of the human personality.

It is in the context of this conflict between a centralised society of the machine age and the individual freedom of the agriculturist or the craftsman that Khadi and Village Industries come forward in quest

of a basic answer to the crisis that faces man today. I am not considering here the great advantages offered by Khadi and Village Industries in our situation where there is large scale unemployment, willing hands and an acute shortage of mechanised means of production which the industrial age has ushered.

My picture of the future of India is one where there will be a perfect synthesis between the bullock cart and the sputnik with all the ramifications in between where the automatic push button machine will hum as lustily as the bullock driven ghani or other small appliances which will ply in our fields and cottages. There will be our sovereign people, with the song and drama and their struggles in the cycle of life on the ground. The impulse from them will reverberate on our Sovereign Parliament at the apex. The will and wisdom of the nation as forged on the apex anvil will then echo back to the people through intermediate institutions at all strategic points, I do not see how democracy can survive in India or in fact, anywhere unless this synthesis has been achieved. India seems how to hold the key to this fateful question. The burden of her quest necessarily grows even more significant.

The role of India since the dawn of history has been one of continuing synthesis



with the changing times. India stands on the cross-road again. The demand on her is there on all fronts. Khadi and Village Industries Commission in this context is thus dealing not with mere economics. It is related more to the question of the society of "Tomorrow" and whether man should

survive a man or a robot. "Khadi Gramodyog" has been propagating the philosophy and the physics of this transition. I offer the journal my hearty congratulations on its journey beyond the fourth mile post. I wish and pray for strength and abiding wisdom.

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My plan envisages decentralisation which is a necessity. Even when God created the universe, He had to have a decentralized system. If He had not thought of decentralization, He would have to deposit all intelligence in some bank at Delhi and then would have required motor cars and planes to go about distributing it. Naturally, He would have been tired out by all this and would not have had the time to lie comfortably in mid-ocean as He does. (A familiar picture of Lord Vishnu in ancient Indian mythology)

- Vinoba.



# THE INDIAN COTTON TEXTILE INDUSTRY

(By P. SRINIVASACHARI)

At a time when the West of Europe, the birth place of the modern industrial system, was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and for the high artistic skill of her craftsmen. The skill of the Indian in the production of delicate woven fabrics, in the mixing of colours, the working of metals and precious stones, the preparation of essences and in all manner of technical arts, had from early times enjoyed a world-wide celebrity. Her famed industrial products were eagerly sought after by merchants from all corners of the globe and to the outsiders the country was known as the 'Golden India.'

## Historical Evidence

Ample historical evidence is available to prove that many centuries before the invasion of Alexander, the people of India enjoyed a high degree of prosperity. "All the descriptions of the parts of India visited by the Greeks", says Mr. Elphinstone, "give the idea of a country teeming with population, and enjoying the highest degree of prosperity. The numerous commercial cities and ports for foreign trade, which are mentioned at a later period (in the 'Periplus') attest to the progress of India in a department which more than any other shows the

advanced state of a nation. The number of kinds of grains, spices, etc., which were grown afford proof that the country was in a high state of cultivation . . . . Their internal institutions were less crude; and in the knowledge of being and nature of good, they were already in possession of a light which was but faintly perceived even by the loftiest intellects in the best days of Athens."

In the Imperial Gazetteer of India we find the following : "There is evidence that in Babylon traded with India in 3000 B. C. Mummies in Egyptian tombs, dating from 2000 B. C., have been found wrapped in Indian muslin of the finest quality. There was a very large consumption of Indian manufactures in Rome. "

In the fourth and sixth centuries two Chinese travellers visited India and have fully recorded their views on the prevailing conditions and have spoken highly of her flourishing arts and industries. Marco Polo who came in the 13th century had also left a record of his impressions that kindled the imagination of the West to shake the pagoda tree of the *Golden India*. Bernier who visited India during the reign of Shahjahan, marvelled at the incredible quantity of manufactured goods.



The list of historical records that speak of the wealth and grandeur of India of the past is endless. They point out in unmistakable terms that, to the outside world, India was never known as a country rich in agriculture alone. The skill of her artisans and her highly artistic manufactured goods commanded a great reputation.

### Cotton Textiles

Of all her manufactured goods, India was pre-eminently noted for her cotton textile products, 'the most beautiful that human art had anywhere produced'. Baine in his book 'The History of Indian Manufacture', observes that 'the birthplace of cotton manufactures is India where it has flourished from pre-historic times'. The Rigveda which is the earliest and most sacred record of the lives of the ancient Indians, is full of facile allusions to the art of weaving. The various hymns dedicated to the 'Goddess Dawn' and 'marriage hymns', describing bridal dress, give convincing proof that the art of weaving was known to Indians from time immemorial. Kautilya's Arthashastra gives the functions of an officer named "Yarn Superintendent" and lays down his routine and duties. The fact that even the Greeks were ignorant of the existence of cotton during the days of Herodotus is brought out by the fact that this eminent historian described cotton as a kind of wool better than that of sheep. It is said that Nearchus, the Admiral of Alexander the Great, reported "that there were in India trees bearing, as it were, flocks of branches of wool and that the Indians made of this wool garments of surpassing whiteness".

Cotton manufactures were common throughout the country and there was a brisk internal trade in finer class of goods for which India was always famous. The renowned textile fabrics exported to other countries brought abundant wealth to the country. The important chief ports and centres from where the beautiful and highly valued textile products were exported to foreign countries were (1) Babricom at the mouth of the Indus, (2) the Gulf of Cambay (mainland of Anake or Aparantaka), (3) Ujjain (which sent a great variety of merchandize to Baryagaza of Broach), (4) Paithana and Devagiri (the chief Maratha marts), (5) Surat and Navasari, (6) Kanyakumari, Mansalia (Masulipatam), Kaveripatnam, (8) Caolicut and a number of other Dravidian ports which were always thronged with Yavana and other foreign traders.

### Two Hundred Varieties

Innumerable varieties of cloth were exported in great quantities by land and sea to Western Asia, Syria, Babylon, Persia, China, Java, Pegu, Malacca, Greece, Rome and Egypt. The exports to other countries consisted of more than two hundred varieties of textiles. Although cloth was manufactured throughout the length and breadth of the country, certain parts specialized in the production of well-known varieties of cloth and fanciful poetical names were given to the fine fabrics. To give a few examples: Dacca specialized in the production muslins which were known as *Ab-i-rawan* (running water), *Baft-ihawan* (Woven air) and Shabnam



(evening dew). Burhanpur, in Madhya Pradesh, was noted for gold wrought cotton tissues which seemed like woven sunshine. Southern India was famous for its plain and printed cloth. The chintzes of Masulipatam acquired a world-wide celebrity. The name *calico* was derived from the place of its manufacture, Calicut whose products were always in great demand and commanded wide and distant markets. It is interesting to note that these fabrics were carried on to distant climes, east and west, in Indian built ships, India had extensive sea borne trade with China, Burma, Malaya Archipelago and Africa.

The arts of spinning and weaving were in a highly developed stage in India two thousand years ago. That the Indian muslins, silks and other gorgeous cloth of gold and brocades were in great demand in Rome is known from the fact that elder Pliny bitterly complained that vast sums of money were annually absorbed by commerce with India which cost the Kingdom nearly a hundred million sesterces. The prosperity of the industry in the subsequent periods was in no way affected by the political changes in the country. Arrian (131-135 A. D.) wrote that the Indian cotton, whiter than that of any other country, was carried by the Arabs from Broach up to the Red Sea to Aduli. He had also mentioned that an extensive trade was carried on in the dyed sheets of Masulipatam. Indian textiles are found in the list of goods charged with duties in Justinian's Digest of Laws (A.D.552).

### **The Moghul Period**

Invasions and changes in dynasties left

little mark on the structure or on the condition of the industry. With the establishment of the Moghul Empire the prosperity of the industry increased and the Indian textiles reached a high water-mark of excellence under the constant patronage of Emperors and Nobles. The Moghul Emperors took an abiding interest in the manufactures of India and particularly in the production of artistic and luxury goods. Under their care, large varieties of handicrafts were produced in the State Karkhanas. Every effort was made to induce the most skilful master artisans and workers in different arts and crafts to come to the State Karkhanas from all parts of India. The Governors, Ambassadors and Jagirdars in different provinces were instructed to make a success of this policy. The imperial Government had also its own Karkhanas at Lahore, Agra, Fatehpur, Ahmedabad, Burhanpur and Kashmir. The splendour and the luxury of the Court enabled the indigenous art to reach its highest level and the skill of the artisans in turning out fine cotton fabrics was a wonder to the world.

### **Envy Of Kings**

Marco Polo who visited the country in the 13th century gave his impression about the finest muslins and other costly fabrics produced in the Southern part of the country. "In South", he says, "they look like the tissue of the spider's web. There is no King or Queen in the world but might be glad to wear them." Many accounts of the travellers who visited the country in different periods speak of



flourishing condition of the industry and give an impression that the history of the industry was one of continued prosperity. Pyrad who came at the beginning of the 16th Century, saw the trade and prosperity of the ports like Cambay, Surat, Calicut and Goa and wrote that "the principal riches consist chiefly of silk and cotton stuffs wherewith every one from Cape of Good Hope to China, men and women, are clothed from head to foot. what is to be observed," he adds, "is this that they are both of good workmanship and cheap" Varthema in 1503, Fitsch in 1598 and Tavernier in 1666, testified to the vast trade carried on with Arabia, Persia, Egypt, Pegu, Malacca, Sumatra and several countries on the Mediterranean sea. The total volume of cotton textiles exported in the 17th century was estimated as 60 million sq. yards valued at £ 2.4 millions.

### Export Trade

India produced not only all her requirements of necessities and luxury articles, but exported to the then civilized world many commodities for which there was always a ready demand. A study of India's export trade during the period indicates that India was the hub of world commerce. Her geographical position, the highly developed state of industries and a busy population with a keen sense of observation China on the changes in fashions and tastes and the requirements of people living in different countries and representing different cultures, contributed enormously to the prosperity of the country. On the eastern side Japan Siam, Indochina the Muluccas, Ceram, Banda,

Amboyna. Nacassar, Sumatra, Jawa and Borneo were the main consumers of our products. In the west our exports went to South and East Africa and Abyssinia and there was also brisk trade with West Africa, Egypt and the adjacent parts of North Africa and the west of Arabia. Persia and Central Asia were supplied through the over-land route via Lahore and Kandahar. In Turkey, Muscovy, Poland and Western Europe our cotton and silk goods were in great demand. Indian ships played a notable part in the country's vast sea-borne trade. Our people were always familiar with the art of navigation. The mercantile community had a great interest in the shipping industry and many ships were owned by merchants themselves. Ships and boats of all kinds and categories were built in numerous ship-building centres in the country and many foreigners were much impressed with the size and the number of them.

### Inter-Change

Though most of the goods were produced locally, some specialized and artistic goods in which the skill of the artisans counted most, were always in great demand and it was not uncommon for the goods produced in one part of the country to be sold in another part and some products often crossed different provinces and were carried to long distances. Many towns were famous for the speciality and fine quality of their goods, and some towns got their importance from being great trade centres. The famous textiles of Bengal were carried to Northern India through



Patna and Banares. These goods and other varieties woven in Northern India passed through Lahore and Kandahar to Persia, through Kabul to Samarkhand and Kashigar and through Agra and Burhanpur to Surat. Lahore was a very busy centre and all kinds of goods passed through it. Multan was another important centre in the trade route from India to Persia. Lucknow was also a great trading centre for many cloth goods of Oudh. Agra was another most important centre of trade. Goods from Gujarat, Kabul, Deccan, Bengal and from the whole East country passed through this city. There was heavy traffic of innumerable kinds and indescribable quantities of merchandize and it was the nerve centre of trade for cotton goods. The coloured and uncoloured textiles of Northern India which went to distant countries from Gujarat Ports were transported through Agra and uncoloured goods were dyed there. Ahmedabad was the important trade centre in Eastern India. In the South, Golconda which was connected with the three great ports, Goa, Masulipatam and Surat was the centre through which passed the trade between South and North and it was the most important emporium of South Indian products.

### **Economic Organization**

The reason for the dominant position of the textile industry all through the ages, irrespective of changes in dynasties and empires, can only be found in the economic basis of the organization of the masses. India has been from earliest times, the home of village communities. As

the great majority of the people lived in villages, the structure of the village units was the most important feature of the Indian economic life. Perhaps in no other part of the world the form and the organization of the village units were so complete as it was prevalent in India. The village community system was a simple form of self-government. The boundaries of the villages were clearly marked and the villagers were cultivators of the fields with determined limits and distinct names. There were also village artisans and traders who supplied the wants of the villagers. The general management of the village such as general superintendence, collection of revenue, settlement of disputes, maintenance of accounts, gaining information of crimes and offences, guarding crops, distribution of water for the purpose of agriculture, etc., was done by such village officers like Pottail or head inhabitant, curnum, talliar, superintendent of tanks and others. The various other services required by the community were performed by other classes of people and the striking feature of the village was the position of the artisans.

### **The Artisans**

There were two types of artisans, namely, village servants and independent artisans. The carpenter, the blacksmith, the potter, the scavenger, the washerman whose services were required in husbandry or daily domestic life were the servants of the village and were paid not by the job, but by customary dues consisting of a fixed share of the produce



of the fields. Thus, for example a carpenter or a smith was expected to repair all agricultural implements and make most of them for each cultivator without any payment. The artisans of this type, whose services were required by all the members of the village community, generally formed the artisans group of village servants. Their chief source of income consisted in the fixed share of each year's produce paid to them by each cultivator. The other group of artisans were those whose services were required only occasionally, such as the weaver, the oilman and the dyer. They were paid by the job, whenever, their services were demanded, usually in kind or by being allowed to retain a fixed share of the raw material which their employers provided for them to work upon.

We find that this sort of arrangement of services and remuneration was able to procure for the village all the needs of the community, barring a few items which could not be produced in the village. The artisan at no time had to face any external competition since his services were always demanded by the villagers and the villagers themselves would not go for any outside products which could be produced locally. It was only for such things as salt and luxury goods that outside trade was considered necessary. In all respects the village unit was a self-sufficing organization producing everything that it needed and managing all its affairs without the help of any outside power.

Since each village had its own artisans,

the number of urban population was very small, and the towns were also few in number. Most of the towns owed their existence either because they were the places of pilgrimage or sacred places of some sort or they were seats of a Court the capital of a province or they were producing the art and luxury products or because of their position on the trade routes. But the villages were the mainstay of the nation and almost all the staple products necessary for the common people were produced in the villages.

### Spinning And Weaving

The universal occupation of the people was spinning and weaving also was widely practised in the country. Hand-spinning provided ready employment to all. Even widows, old men, cripples and children who could not do any out-door work found out a way to earn their livelihood through hand-spinning. It was the industry prevalent in our country from ancient times as the hope of the poor and the destitute. In the village communities almost all the cloth that was needed produced in the village itself. The spinning wheel had a place in every house. The farmers took to spinning during their idle hours or when they had no work to do during certain part of the season; but spinning was more common among women who plied their Charkhas during their leisure hours. The agricultural classes grew cotton on their own farm or get the required quantity from the weekly market. Every process anterior to spinning, viz, ginning, carding, cleaning, etc. was done in homes, mostly by women, with the help



of simple indigenous implements.

Spinning was not only a source of earning an additional income, but it also enabled every family to become self-sufficient in their requirements of cloth. Each family stored its own cotton and made it into yarn and got the yarn woven from the neighbouring weaver. The family expense in the purchase of clothing was negligible in most cases and especially in the case of poor people, for they had all their yarn made in their homes and woven in their neighbourhood. Since the major process of converting cotton into yarn was done by spinners themselves they had to pay for weaving charges only and thus the family requirements of clothing were obtained at minimum expense. Since cloth was produced on self-sufficiency basis, no outside competition was possible and, barring those occasions when people needed fine artistic fabrics of special kind, there was very little trade in cotton goods. The domestic system of producing cloth gave constant employment to the weavers in the village. They got sufficient yarn in the village itself. The non-dependence for yarn on outside sources gave him enough security and freedom from being haunted by fear of unemployment and did his work in open air with the assistance of the members of his family.

#### **Buchanan's Diary**

Thus, the twin occupations of spinning and weaving were widely prevalent throughout the country and their importance in the nation's economy was next

only to agriculture. Hand-spinning was commonly practised as late as the early decades of the nineteenth century. From Dr. Buchanan's Diary, we come to know that spinning and weaving still continued to be the staple industry of India, though during the East India Company's rule they were fast languishing. Cotton spinning was universal and occupied the leisure hours of almost all the women. Most women worked in the after noons and many families had looms and people of all classes, men and women, found in spinning and weaving a profitable occupation. It was a familiar sight to Dr. Buchanan to find in every village every man and woman of a family making a piece of cloth,

If even in Dr. Buchanan's time hand spinning and weaving were common among the masses (in spite of the foreign competition in cotton textile goods and the administration bent upon expanding the company's trade in India without taking into consideration the reaction of that policy on Indian manufactures) one can easily imagine the dominant feature of these two occupations of the people in our economy, a century or two earlier or right from the ancient times to the middle of the 18th century.

#### **Self-dependent**

Dr. Radhakamal Mukherjee points out that the variety of arts and handicrafts that existed during the Moghul period exhibited a more advanced economic and financial organization than the crafts in contemporary Europe. Owing to the fine quality and cheapness of Indian textile, foreign goods could not compete with the indigenous



products. All the countries had to pay chiefly in bullion for the large volume of imports from India. Dr. Robertson, the historian, says: "In all ages, gold and silver, particularly the latter, have been the commodities exported with the greatest profit to India. In no part of the earth do the natives depend so little upon foreign countries either for the necessities or luxuries of life. The blessings of a favourable climate and fertile soil augmented by their own ingenuity afford them whatever they desire. In consequence of this, trade with them has always been carried on in one uniform manner, and the precious metals have been given in exchange for their peculiar productions whether of nature or of art."

### **Monopoly And Oppression**

With the establishment of the Company's rule, trade and manufacture of India were hit hard under a system of monopoly and coercion. Needless to point out that the sole aim of the Company was to keep the entire trade of India in its own hands without a rival or competitor. To carry out this purpose inconceivable oppressions and hardships had been practised towards the poor manufacturers and workmen of the country. All the rules and regulations framed were intended to keep the monopoly of the trade safe in the hands of the Company. According to the 31st Regulation of the Bengal Government of the year 1793, 'no persons in balance to the Company or engaged in any way in the provision of their investment, can withdraw from their employ and cannot work for others or for themselves. If they do not fulfil their contract, they are put under the

restraint of peons, and the goods they manufacture, or their articles of produce, are liable first to the Company, although they may be indebted to others.'

### **Decline**

Thus we see that the weavers worked for the Company lost their independence. Vigorous efforts were made to make the weavers work for the Company in its factories. It has been pointed out that as early as 1769, the Directors of the Company explained their policy that 'silk winder should be forced to work in the Company's factories and prohibited from working in their own homes.' The same policy was pursued vigorously towards the weavers of cotton goods to secure the monopoly of the trade in cotton goods. The Company appointed a large number of gumastas who advanced money to the weavers of cotton goods to secure the monopoly of the trade in cotton goods. The Company appointed a large number of gumastas who advanced money to the weavers and thereby held a monopolistic control over them. The weavers were not permitted to work for others. They had no control over their products. The prices of the goods were arbitrarily fixed to the great disadvantage of the weavers. Those who could not fulfil the agreements which were forced upon them, had their goods seized and sold on the spot. Fines, imprisonment, floggings and forcible taking of bonds from them were resorted to for failure to act according to the terms of the contract, Landlords and tenants were enjoined not to hinder the commercial residents



or their officers from access to weavers and they were strictly prohibited from behaving with disrespect to the commercial resident of the Company.

### **No Hope Of Survival**

The age long home spinning industry was destroyed and became a thing of the past. Significantly enough, with the eclipse of the decentralized cloth manufacturing industry the latter half of the 19th century saw the birth of the textile mill industry of India. There was a great demand for cotton from the growing mill industry. In Japan and China also new markets soon developed for Indian cotton. The causes other than local were beginning to have a tremendous influence over the economic life of the country. Cotton

was not used as before where it was grown, but was cultivated mainly for distant mills or for export. The crop came to be localized in certain parts of the country often displacing the food and other crops; and in all other places where it was previously grown for local requirements and could be grown, it ceased to be produced. With textile industry of India undergoing an economic transformation from decentralized to centralized method of production, cotton came to be considered as a profitable commercial product. When the raw products began to be produced depending on demand on distant and foreign lands, the village industries and pre-eminently among them the hand spinning and hand weaving industry, which were only existing in name found no chances of revival.

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Without cottage industries, mere possession of land by Kisan will not solve his problem. If the kisans take to producing finished goods from the raw material obtaining in the villages, then only can they save themselves.

**-Vinoba**



# THE HANDLOOM INDUSTRY

( By M. Somappa )

It is hardly necessary to say that the Handloom Industry of our country is the largest Cotton Industry, next in importance only to agriculture. Once a most flourishing industry, its days of decline were marked with the advent of mills by the 19th century. A remarkable feature about the Industry is, that despite a century's cut-throat competition by mills, it has survived, which is a tribute to its innate vitality and vigour.

There are in the country 25 lakhs of looms as per the recent statistics of State Governments. On these 25 lakhs of looms, as many as 75 lakhs people are provided with direct employment in the countryside and 15 millions are dependent for their livelihood on this industry. The total employment provided by all the heavy industries in the country put together stands at the meagre figure of 27 lakhs. Thus the place of Handloom Industry as a provider of employment in our country which is faced with the chronic problem of unemployment is easily realised.

## **A Distinctive Feature**

Another distinctive feature of the Handloom Industry is that it is spread over the entire sub-continent and is deeply entrenched in the villages. A weaver in a village earns anything between Rs.1, to Rs. 3 depending on his skill and capacity. and makes

an honest living in rural surroundings. Handlooms in India have been producing one of the most essential consumer needs of the country, viz., clothing and supplying a third of the country's cloth requirements, thereby playing a very vital role in contributing to the economy of the country.

When in the year 1952. the Industry passed through an unprecedented slump and crisis owing to a variety of reasons culminating in aimless migration of weavers in search of employment, concrete measures for the rehabilitation of the handloom industry were taken among which was the creation of the "Handloom Development Cess Fund." The All India Handloom Board which administers the Cess Fund formulated very many useful schemes for enabling the handloom industry to come into its own. Principal among these are :

- i) grant of share capital and working capital loans to weavers' cooperative societies ;
- ii) rebate on sale of handloom cloth :
- iii) supply of improved looms and appliances ;
- iv) financing housing colonies of weavers ;



v) starting of dye houses, sales emporia etc.

### Real Solution

Although the aforesaid measures have gone a long way in rehabilitating the Handloom Industry, they have at best been palliatives. The real solution to the handloom problem lies in reserving a field of production exclusively for handlooms – in other words, providing to it a sheltered market in the home country. Rightly has Shri Rajaji, an elder Statesman, suggested the reservation of sarees and dhoties exclusively to handlooms, which sane suggestion has not unfortunately been implemented so far.

A most important event in the consolidation and development of the handloom industry in the recent years, has been the birth of the All India Handloom Fabrics Marketing Co-operative Society. Sponsored by the All India Handloom Board and started with the blessings, sympathy and support of the Government of India, State Governments and Apex Weavers Co-operative Societies (in the year 1956) with the principal object of promoting Inter-State trade and export of handloom fabrics, it is progressing very satisfactorily. While the sales effected during the initial fifteen months ending 30-6-1957 stood at Rs. 32.34 lakhs, that for the 2nd year ending 30-6-58 shot up to Rs. 115.21 lakhs of which Rs. 25 lakhs accounts for exports, which is an eloquent testimony to its successful working. Sale houses on a large scale known as 'Handloom Houses' have been opened at Bombay and Madras and arrangements are un-

derway for the opening of similar shops at Calcutta and Delhi. It has, besides five foreign emporia.

### Powerlooms

While on the one hand the Government is rehabilitating the handloom industry, it is nevertheless misled by the propaganda of vested interests in permitting the introduction of powerlooms. When the introduction of powerlooms in the co-operative handloom sector was envisaged by the Government of India under the Revised Textile Policy, it was with the object of meeting the then anticipated demand at 18½ yards per capita towards the end of the Second Five Year Plan period. That the expectations of demand did not come true is amply proved by the fact that the country is to day facing a serious glut in textiles, leading to closure of a number of mills and widespread unemployment and under employment among millions of handloom weavers.

Although the handlooms with one voice protested against the introduction of powerlooms, as such powerloom would go to displace 10 handlooms there by aggravating the already serious unemployment problem in the country, the Government unfortunately are trying to force the powerloom scheme. The powerlooms are the most deadliest rivals and the dangerous enemies to the handlooms. While being free from the incidence of taxation and financial burden of a heavy industry, they derive the full normal benefit of the cottage industry of handloom and getting started in villages will compete



with handlooms in their very market and thereby displace the hereditary handloom weavers. The incursion of powerlooms has demoralised the handlooms in the past. The Fact Finding Committee observed thus: "Wherever these little powerloom units have grown, eg. Surat, Bhiwandi, Malegaon, Burhampur, Ichalkaranji, the number of handlooms declined and in Bombay centres this has seriously affected the Handloom Industry".

### **Danger Signal**

The crux of the Second Five Year Plan is the generation of large employment opportunities; but powerlooms are the very antithesis of this objective. Each powerloom costs Rs. 3,000 and it requires a working capital of Rs. 2,000, while a handloom costs Rs. 50 and it needs a working capital of Rs. 300 only. The various stages of production in a powerloom such as winding, warping, sizing and beaming could be done in a factory employing a skeleton staff; these processes in the handloom sector are carried in the handloom weavers' home providing gainful employment to all the family members.

Certain States foreseeing the dangers involved in the powerloom scheme rightly did not adopt them. Two lakhs of powerlooms in mills are today producing 5,400 million yards and with this production of the country is already faced with the problem of over-production and consequent unemployment. What would be the fate of the country if the number of powerlooms were to be increased by conversion of handlooms? How are the displaced

millions of handloom weavers, in that event going to be resettled? They present problems which defy imagination. Far from raising the earning and improving the standards of living of the handloom weavers, the powerlooms would dissipate the stabilised rural economy of the country creating colossal upsets. Famine conditions among handloom weavers' families will be inevitable if powerlooms were to be let loose on the handlooms. It is fervently hoped that the Union Government will at least now realise the danger involved and halt inroad of powerlooms.

### **Ambar Charkha**

The Amber Charkha has come to stay and has proved by now its utility and value beyond a shadow of doubt. its popularity is reflected by the increasing demand it has been having from the public. The merit of the Ambar Charkha lies in its capacity to be as decentralised as the handlooms and supply yarn from the local areas themselves. The Ambar Charkha has been producing yarn in counts ranging between 12's to 76's at an average of 2 hanks per hour with the requisite tensile strength and uniformity and the handloom weavers have taken to it very well. Already a very large number of Ambar Parishramalayas have been started all over the country. The Ambar Charkha has proved its capacity to solve the unemployment problem in rural areas and to supplement . . . . the income of the poor and the lowly living on sub-marginal levels. The Ambar scheme is the only panacea in solving the rural unemployment and underemployment



of the country in a decentralised way. It has already taken a good impetus and Ambar Khadi Spinners and Weavers Cooperative Societies are being started. The recent conference of the Rayalseema Handloom Cooperative Societies held at Yemmiganur, while heartily welcoming the steps being taken by the Government of India in implementing the Ambar Scheme which, besides being a pro-

vider of employment and contributor to the rural economy of the country, has been playing a complementary role to the handlooms, recommended Khadi spinners and Weavers' Cooperative Societies in increasing numbers. It is hoped that the day will not be far off when our countryside will be humming with activity with Ambar Charkha and Handlooms working in close collaboration in the production of cloth.

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The present pressing problem is how to find work and wages for the millions of villagers who are becoming increasingly pauperized, as anyone who will take the trouble of going to the villages can testify for himself and as is amply proved by contemporary expert evidence. The people are becoming poorer economically, mentally and morally. They are fast losing the will to work, to think, and even to live. It is a living death that they are living. Khadi supplies them with work, tools and a ready market for their manufactures. It gives them hope where but yesterday there was blank despair.

**-Gandhiji.**



# WEAVING THEN AND NOW

(By OM PRAKASH SHARMA) \*

In ancient times when man lived in jungles, he covered his body with leaves. Gradually he learnt the art of weaving mats out of creepers. He hung a number of them from a horizontal branch of a tree and tied pieces of stones to the lower ends. Then, he wove long weaves into these creepers, and thus he prepared mats used for covering his body and as his bed, too.

This process of weaving, though irksome, continued for a long time. Man then learnt how to take the help of his mate in this work. One man coiled the warp of creepers around his waist, and another man wove the weft into it. Man gradually made some improvement in this process as it was irksome to wind the warp round the waist. Consequently he devised a square frame made of wood for weaving of apparel for covering his body.

## Rapid Strides

With the march of civilization man made rapid strides in the art of weaving. From the jungles, man moved to caves and, then, he learnt the art of building huts for himself. He also evolved the device of weaving called the pit loom which continues even now. The pit loom of yore occupies the same vital place in the art of weaving in this modern age of highly advanced technology and science as it did

in the ancient times. Even after the evolution of fly shuttle looms, power looms and automatic looms, the pit loom has a unique importance of its own as the fabrics requiring skill and artistry in their weaving cannot be woven either on power looms or automatic looms.

## Discription Of Cloth

In days gone by when the improved technical devices had not been invented, our ancestors produced fine variety of cloth and the art of weaving had reached a high water-mark. The Dacca muslin was renowned all over the world. Describing its fineness and delicate texture a great poet wrote as follows :

रक्खा नली में बांस  
की जो थान कपड़े का नया ;  
आश्चर्य ! अम्बारी सहित हाथी  
उससे टंक गया ।  
वे वस्त्र कितने सूक्ष्म थे,  
कर लो कई जिनकी तहें;  
शहजादियों के अंग फिर भी  
झलकते जिसमें रहें ।

This piece conveys that a piece of cloth woven in olden days was so fine that it could be squeezed in the hollow of a bamboo, and it would cover the body of an

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elephant alongwith its *howdah*.. Those fabrics were so fine in texture that, though they were folded a number of times, the body of the princess could still be seen through the cloth.

### Basic Principles

If we look into the technique of weaving we find that it is composed of three important processes, namely, shedding, picking and beating. These have formed the basis of the art of weaving practised by man since ancient times till to-day. These processes are still the basis of weaving even after the advent of power looms and automatic looms. As not even one of these processes has been done away with, they are known as primary motions.

Many improvements were effected in the field of weaving and it underwent a number of changes. With the increase in population, the necessity of meeting the demand for cloth was keenly felt. Man thought of stepping up production with minimum effect and within the minimum time. Therefore, the great strides made in the technique of weaving was the introduction of shuttle. Thus the loom in which the shuttle was introduced was known as throw shuttle pit loom. But this improvement in the loom did not go a long way in stepping up the productivity of the loom.

### Tremendous Progress

The handloom industry and the weavers suffered a great setback during the days of the British rule in India. How the weavers were gradually thrown out of employment with the opening of the mills

is well-known to all. After the attainment of independence, the Government of India has come to the rescue of the handloom industry, and the All India Handloom Board has been constituted for revitalizing the handloom industry and stepping up the sales of handloom cloth. This industry has shown tremendous progress under the aegis of this organisation.

With the aim of effecting more improvements in the technique of production, the Government gives financial assistance for modifying the throw shuttle loom into the fly shuttle looms. This improvement has resulted in more production. Still more modifications have been introduced in the looms with the aim of raising their productivity. The techniques thus introduced are known as secondary motions. Some of these are automatic movement of the cloth, weaving of a uniform border and the automatic stopping of the weaving instrument with the snapping of yarn. As man always loves artistry and designs, he has devised techniques of producing cloth having artistic and colourful designs and he invented the attachments like the dobby and jacquard which weave a number of patterns and designs on the cloth.

India is once again producing handloom cloth of a high quality, which is exported to other countries. Man has not stopped at this stage and is trying to make further progress. A number of experiments are being conducted in the field of weaving with the aim of evolving new techniques of production.



# RETURN TO TREE COTTON

(By DADABHAI NAIK)

India in the past was not only the world's largest cotton growing country, but was also the centre of cotton industry since time immemorial.

To-day it ranks third amongst the cotton growing countries of the world, the U. S. A. and the U. S. S. R. being the first and second. Cotton occupies the third place amongst the staple produce of the country, rice and wheat being first and second. But the growing textile needs of the country have compelled the economists to find out ways and means to increase the production of cotton in India. The acreage under cotton which was considerably reduced during the Second World War, has not yet been resumed. Rather it has undergone further reduction due to the grow-more-food campaign in the country. The Problem of supplying cotton to the textile needs of the country is facing the nation. India is compelled to import cotton of 15/16" or more staple length from other countries. It is natural, therefore, for all right-thinking men to strive to devise means to grapple with this problem of short supply of cotton.

The problem must be tackled on a decentralised basis, as a centralised solution would create problems which would be difficult at present to tackle due to our existing financial condition. Individual needs

of cloth tackled on Swavalambi basis would go a long way in easing the position. Every family can grow enough cotton in plots or places in the house or compound or on the borders and edges of their farm or in waste lands, collect it and turn it into Swavalambi cloth by spinning and weaving at home. Tree Cotton or Deo-kapas is a variety of cotton which is best for the purpose. It does not require farmers or fields for its plantation and growth.

## A Half Truth

The general belief that longer staple length alone are capable of producing finer and stronger yarn is at best only a half truth. In fact the durability and finishing in cloth, as well as its fineness to a certain extent, do not so much depend on the staple length of cotton as on the percentage of maturity. A series of experiments have established this fact. Therefore, India should not import long staple cotton from foreign countries, but must concentrate on improving the quality and acreage of indigenous cottons of medium and short staple lengths. These fibres have been producing in the past excellent, durable and finest varieties of mulmulls.

The Indian climate is highly favorable to the growth of short staple cotton. If sufficient attention is paid to the Indian varieties of cotton, possibly the cloth needs of



the country would be satisfied by local effort at village level. Our national policy should, for the present, aim at promoting the growth of local cotton and to convert the entire raw material thus obtained into cloth with the help of local effort and initiative of the villagers themselves. The advantages of this policy are :

1. Availability of enough raw material at home
2. Crossing with foreign varieties would result in improving the quality of indigenous species.
3. All available pieces of land which are at present unproductive and idle, may the very compounds in Indian homes would become productive fields for tree cottons and other hardy varieties of it. Large idle areas of land would thus become useful.
4. It would revive the age-old practice of producing cloth and yarn for one's own needs from cotton of one's own plantation, with one's own labour.

### **Problem Of Selection**

Selection of suitable species of indigenous cotton would then be our next problem. Deokapas—a plant of easy growth and common occurrence throughout the length and breadth of India—would be the best choice in this respect. The plant is a common sight in temple-compounds all over the country. It has a host of names like—Nandanvan, Jata, Jarapate, Bani, Rim, Kiddi etc. The pods contain seeds closely studded together in a double row of sevens or nines. The fibres

are very easily separated from the seeds. An expert spinner can directly spin from the cotton ball thus obtained without having recourse to the usual pre-spinning processes of ginning, carding and slivering. The staple length of its fibre is generally greater than that of the ordinary country cotton and is also softer. The plant cannot strictly be said to be of Indian origin, but has so acclimatised itself to the country as to be of common growth in every part of the country, from the hot and dry Punjab to the humid and cold Assam, and from Kashmir to the plateaus of Deccan.

Investigations, however, show that the number of plants available in the country is not very large in proportion to the vast areas over which it has its habitat. The reason might be its susceptibility to plant-diseases. The largest number of Deokapas plants are at present found in the rural areas of Bengal. Another variety of Deokapas mostly found in Bengal and other eastern parts of India is known as Boori Bamani or Paidapati. Its seed is rat-shaped, Black in colour and diminutive in size. There are fibrous adhesions on both its ends. The plant has small leaves and has small-sized pods. It has a short stature and generally has a number of branches. Its cotton yield is higher than that of the Jata variety. The fibre which is soft, bright and strong, has a superior staple length. The plant belongs to the Bourbame species of cotton of which perhaps the local name Boori Bamani is a derivative.

### **India Varieties**

'Hemati' another variety of cotton plant



is grown in some parts of Assam, Bengal and Bihar. Hemati appears to be a hybrid as its seeds produce plants of varying characteristics. The genus seems related to 'Sea-Island' variety. It ages early and by the end of the first fruition, it looks like a plant a year old. Fruiting branches of the plant are of two varieties – while one bears a fruit at every joint, the other bears a cluster of them. The Cotton obtained from this plant is superior to that of Jata and Buri Bamani. The seed resembles that of Bourbonne, but is as large as that of Barbedense. It has curly leaves. The clustering variety of this plant would be worthwhile a trial.

Barbedense is under trial in the Deccan where it thrives due to the rainy and torried climate of the region. The plant rises to a height of nearly 20 ft. In the north, however, it has not flourished due to plant pests and diseases. The light soil of Dharwar with scanty rains, has been found highly favourable to its growth. The plants obtained from Dharwar seeds of this variety, however, did not prove a success in Madhya Pradesh or Uttar Pradesh. The seeds of this variety of cotton obtained from the plants reared in Nander, Hyderabad, have alone thrived well in Narsinghpur farms of Madhya Pradesh.

## Import From Brazil

The three new varieties imported from Brazil recently, are known as Mocco, *Verdoze* and Cubradinho. They are reported to be multi-annuals. Mocco is considered to be the best of the lot and has proved successful in regions south of

the Narbada. The staple length of its fibre is 1.25 inches and it is very soft. Cubradinho on the other hand has a shorter staple, which is, though rough, sufficiently strong. The plant yields a lesser number of pods. Verdozo is better in this respect. Cubradinho would suit northern climates and may be, it would work well on the Charkha also. The three foreign varieties of cotton. Y. S., and exhibit 3 have thrived well in Gujarat. Their crosses also have proved successful even under conditions of utter neglect. Various other varieties tried at Patidar Ahsram, Surat and at Pagal Harnath Ashram, Broach, have given promise of success. But all this experimentation, corss-pollination and transplantation etc. costs money and requires considerable technical and expert knowledge which we should not expect from the masses.

## Let Lean On Ourselves

Therefore, we must depend on those varieties only which are commonly available and cultivated in our country. The foremost, amongst them is a specie of 'HIR-VANI' which has staple fibres of medium length, capable of yelding strong yarn of a count of 40's. The plant is very hardy and grows everywhere. The twins, leaf-lines and flowers of this plant have a deep violet colour. Said to be related to some African specie, the plant is well-known all over India and has a variety of local names. In Gujarat it is called Deo-kapas, Nandan-van in Madhya Bharat and Pamidi Patti in Andhra. One of its varieties having yellow flowers and green trunk is called Narma or Gajjar Ujla in U.P. and Bihar.

Arborem is the only real Indian cotton plant. It has two main varieties extant.



The Typicum variety which in Deccan is called Bani, Caon-rani, Karoongani, Coconada and Poonam etc. has fibre longer than the medium length staple and is well known for its strength. Perhaps the famous muslin of Dacca used to be made out of it. It has a very high percentage of nature fibres, much higher than other varieties. Probably, it also has a greater number of spirals. Its higher wax content, perhaps, enables it to yield yarn of higher count in comparison to the same staple length fibres of other varieties. of cotton.

A variety of Indian arborium specie, the Neglectum which originates from Hyderabad, has spread widely throughout the North of India. It has no equal in its capacity of production in spite of adverse conditions. Consequently it is liked by farmers all over India. I think its cultivation on an extensive scale can solve all cotton needs of the country.

### **Yield From Arborium**

The average cotton yield of one single Arborium plant has been found to reach to 10 pounds per annum, even in conditions of utter neglect. One of its sub-varieties with yellow flowers found at Kardi, a village in Baroda District, has yielded very good results. The Nadam variety of the Deccan is already well-known for its good quality the Rosy of Gujarat comes next, followed by Konda Patti of the hilly tracts of Andhra which, without much attention and in spite of the mediocre staple length of its fibre, produces finest Khadi and Mulmuls so well-known in India. The arborium variety grown in Bihar has been found to yield to the dexter-

ous fingers of the muslim spinners of Madhubani in Darbhanga that they can easily produce yarn of the count of 300 from it. The Mikir cotton of Sarnu-tom variety of arborium in Assam withstands a rainfall of 100 to 400 inches, and produces yarn of 20's and 16's counts. Garo hill cotton yield is 50 per cent more than that of other varieties. I have heard much about one of its sub varieties named Pinjuli, but I could not secure its seeds.

### **Chinese Variety**

Closely allied to Indian cottons is a Chinese variety-Nung-king which thrives even in very light stoney soils where no other crop grows. The Kokti variety of the Indian arborium called Najjar, is grown in Nepal and has very hardy and valuable plants. Durbari dresses in Nepal are specially manufactured out of the yarn obtained from Najjar cotton.

The Hirsutum variety of cotton has a Khaki subvariety known as Van Rehigiosum. This variety is highly suitable for making clothes for poor people, labourers and women who have to do manual work. The Plant is hardy and easily withstands cold and frost.

### **Why This Craze ?**

When our own tree cottons are so varied and so adaptable to finest spinning there is no reason for running after foreign varieties. The money and time spent on experimenting with those varieties and their acclimatisation could be better utilised if a little attention is paid to the tree-cotton plants of our own country. No doubt some varieties of foreign cotton,



specially suited for particular needs, for example the Sea Islands which is suitable for sewing threads, canvas, tent knats, etc. may be grown and nurtured at places most favourable to their growth. But that should be an exception not the rule.

Why go back to tree-cotton? The question may be asked, specially when so much progress has been made in the cultivation of farm-cotton in India and when the perennial tree-cotton rears pests inimical to farm cotton.

Our reply to the above contention would be that seasonal cotton are highly sensitive and susceptible to changes of weather and climate and, therefore, can not be extensively grown all over India. They have to be confined to particular regions and climes. But in this hour of our national need for a mass of cotton, we must have extensive production of cotton from all regions. Tree cotton is the only variety of cotton which is amenable to all regions and climes and it can withstand all adverse conditions also. No particular care is needed in its nurture, though some attention would naturally tend to augment its yield and

longevity. The per acre produce of Deokapas is expected to be higher than that of seasonal cotton. Due to its fibres of stronger and greater staple length, tree-cotton can easily meet our requirement of fine and long staple cotton.

### Return To Tree Cotton

Every region in India, in the past, had a particular variety of its own cotton. There is evidence to that effect. Similarly every industry had a particular caste or class of its own. But spinning was universal and not confined to any caste or creed. The fact is significant inasmuch as it points out that spinning was everybody's job and that everybody had his own cotton tree thereby producing cloth to clothe himself.

If we revert to the old practice and grow cotton for home use only, much of the present economic inequality would disappear. I would, therefore, enjoin upon every right minded family in India to grow its own cotton trees so that it may get enough cotton from them to clothe the entire family on a self-sufficiency basis. Tree cotton, as has been observed before, is very easy to plant and grow.

*(Rendered From Hindi)*

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We talk of the public sector and the private sector. Obviously land and cottage industries are in the private sector, although there too I should like to see the enlargement of the co-operative element. In fact, that is the only way we can succeed. The only way to meet high-level centralization. The smaller units cannot survive against the big unit, unless they are united in a co-operative system which gives them the same advantage as the big unit with centralized apparatus.

— Jawaharlal Nehru



# THE HUMAN ELEMENT

( By ARUN CHANDRA GUHA, M. P. )

Political independence is just a means to an end; it gives facilities and powers to mould the society on a new pattern. Every nation or every State takes certain measures to implement its social and economic programme. In most cases the aim is to improve the social order and to ameliorate the sufferings of the masses. Some States succeed; some States get a tolerable result; and some States fail in their efforts. Why is this difference? States's policy is enunciated by top men; then the execution of that policy into action is left to certain other men. The skeleton policy is clothed with flesh and blood by higher officials; and then it goes down through different tiers of officials to the actual fields of its implementation. All through, it is the human element that formulates the policy, that gives shape and interpretation to the policy and finally that puts the policy into action. These men can give a little twist this way or that way to the policy and can turn it into a weapon of doing good or doing evil to the masses.

## Why This Difference

Kuomintang China was receiving money and armaments in abundance from the U. S. A. But the money was mis-used and the armaments were very often used against the Kuomintang Government itself. Men at

the top did not possess that amount of idealism which could enthuse the people in the path of honesty and service to the masses. Nearer home,—on the same day, eleven years ago India and Pakistan achieved independence. But there is a marked difference between the progress made by these two countries. After the last World War, Germany and to some extent Japan were almost in a condition of total collapse, economically, politically as also psychologically. Compared to that India was in a better position, as India had not to begin just from the alphabets. United Kingdom also was thought to be almost down and out after the World War. Food rationing and other austerities were very strictly enforced and complied with. Germany has recouped; Japan has recovered and United Kingdom has also rehabilitated her industries and economy. India now goes to these countries for financial and economic aid and they have been generous to give us such aids. Again why this difference? We admit there were some material and circumstantial differences also between India and all these countries, which might have caused some difference in developments; but that would not give the complete reply to the question.

## Our Efforts

Let us examine our own efforts and results. The main difficulty we are facing



now is on the rural side – particularly in agriculture. The programmes that we have taken up for rural and agricultural developments are theoretically and logically quite alright. We have our programme for minor irrigation schemes; for compost; for establishing seed farms etc. etc. We have been spending money also on these things, but yet the result is most disappointing. These have not been properly implemented by the men put in charge; the human element has failed. The working of C. D. Block programme when properly analysed would also give a disappointing picture. Why these programmes have fizzled out? Last year a Study Team examined working of the C. D. Block programme closely and minutely. The Village Level Workers have been found lacking in enthusiasm and honesty of purpose. The Block Development Officers have not responded to the appeal of idealism and service to the people. As the official machinery has failed, the Team suggested that the whole C. D. Block might be democratically decentralized giving the responsibility and initiative to the village panchayats.

But what is our experience of the village panchayats again? In most places these are full of corruption, inefficiency and nepotism. Yet, as we are running a democratic administration, we should have confidence in the people and their base democratic institution—village panchayat. In the Constitution we have provided in Article 40 to “endow them (the village panchayats) with such powers and authority as may be necessary to enable them to function as

units of self-government”. So we should make an experiment of divesting bureaucracy of, and investing the village panchayats with, authority to manage their affairs.

### **The Food Front**

On the food front our programmes have not been fulfilled or properly worked out. Naturally there is a shortage of food which again unfortunately coincided with the shortage of foreign exchange. So there is difficulty in importing food-grains; still people must be saved from starvation and deaths due to starvation. Food-grains have been imported and are supplied to the State Governments to be distributed through fair price shops. But this dearly procured foodgrains somehow go under-ground and appear in the black-market. It is difficult to say where to fix the responsibility for this criminal traffic with the hunger of man. Undoubtedly the fair-price shop-owners to a great extent are guilty; but can they continue this guilty practice for months with impunity except with the connivance from higher level and the callous indifference of the people?

Planning Commission formulated the Second Plan. It became known there would be difficulty of foreign exchange and the clever people of private sector tried to provide for coming bad days. When the Second Plan was just formulated, import licences of several hundred crores were issued on behalf of the private sector. The Prime Minister has put it to lack of co-ordination and non-availability of information at the proper level in time. Naturally the question arises, could this



at all have been possible but for a sympathetic winking at this dangerous trick, with our foreign finances at a very crucial time, from authorities concerned? One can explain everything by putting the blame at some unexpected and unforeseen things and ostrich-like can take refuge under fatalism; but that would not help us. Motives, other than service to the nation, guided relevant persons in this matter.

### **Tendency To Grab**

There is now a tendency amongst even the village people to take as much as possible from the Government. Gratuitous relief, modified rationing, loans of different varieties etc., – anything anyway – one should take without any consideration of making the repayment in time. One does not think that out of the limited resources available either for loan or for relief, if he takes a certain quantity or amount, thereby, to that extent, he denies another person, who may be more needy. Nobody cares to realize that taking gratuitous relief is a form of begging and begging is not a dignified thing for any citizen; or that repayment of loan is an article of personal honour for every man. The same question of human element – or the quality of man – confronts us in education, in social and political works, in government offices, in commerce and industry – and in every sector of our national life. It is most regrettable that even in education we cannot find the right type of teachers and necessarily; nor do we find a right type of students. Everything has become mercenary and everyone has become venal.

### **The Human Element**

Several years ago, Gandhiji wrote an

article captioned "Human Element Essential for Attaining Economic Efficiency". He attached as much importance to means as to the end, because he did not like that in pursuit of a noble end, the man should be corrupted by taking to wrong means. His political and economic ideas mostly emanate from this conception – supremacy of human element in all social and economic development. His emphasis on non-violence and truth, his insistence on cottage industries and decentralised economy, his concept of basic education, his political idea of having a pyramidal structure with a broad base of autonomous village panchayats, – all these have the same aim of developing better citizens and better man. He preached that "men are wealth, – not gold and silver; and that there is no wealth but life". He has said "the final consummation of all wealth is in producing as many as possible full-breathed, bright-eyed and happy-hearted human beings." He was a believer in equality. He advocated even equal wages for the lowest and the highest of the society; yet he was not a believer in class struggle. Why? Because he had trust in the innate goodness of man. He writes, "true economics is the economics of justice. People will be happy insofar as they learn to do justice and be righteous. All else is not only vain but leads straight to destruction".

When politics was considered to be somewhat inseparable from falsehood and lies, Gandhi preached the supreme authority of truth. As against Lenin's dictum – "the truth is relative and partial", we find Gandhi to define truth as "abstract and



absolute". This definition of truth can come only from his eagerness to develop the character of men. Truth requires courage; truth generates honesty; truth gives the inner picture of the man; his sincerity would be manifest. This one virtue—observance of truth—would elevate the man. That is why he gave supreme importance to truth. He was pained to see the prevailing conditions in India and wrote "India was once a golden land, because Indians then had a heart of gold. The land is still the same but is a desert, because we are corrupt. It can become a land of gold again if only the base metal of our present national character is transmitted into gold". This transmission can be done only by truth. He calls truth, the parash-pathar-philosopher's stone—"to effect transformation in the human nature".

### **Cottage Industries**

Gandhiji advocated cottage industries and decentralized economy. He was opposed to machinery because it "concentrates production and distribution in the hands of the few" which process "exploits the masses and deepens their poverty". He writes, "rural economy, as I have conceived, eschews exploitation altogether and exploitation is essence of violence". To him violence is not merely physical violence; — depriving anybody of his dues is also a violence — rather a worse form of violence.

The decentralisation of economy and cottage industry were almost a gospel for Gandhiji. His idea was to put man in his natural position as owner of the means of production and of the fruits of his labour. Marx in 'Capital' has written that class relations and conflicts arose

"out of the fact that condition required for the materialization of labour-power, namely, the means of subsistence and the means of production are separate from the owner of the labour-power and are the property of another." In primitive society, the man put his labour with some crude equipments. He was the owner of his own equipments or means of production as also of the fruits of his labour. Gradually with the development of complicated economic set up, there came a divorce between the means of production as also the fruits of his labour, on the one hand and the owner of labour-power i. e. the labourer or the creator of the wealth, on the other. From this divorce started the process of exploitation;—craftiness, greed and social injustice followed naturally from that. This is the beginning of the moral degradation of man,—readiness to exploit, to cheat and somehow to get rich. Gandhi knew that we could not go back to the primitive system of production, but we can retain the essence of that social order by making, if not every individual, at least co-operative groups, the owner of their means of production as also of the fruits of their labour. If we can establish that, perhaps it might be the beginning of the regeneration of man.

### **Why We Have Failed**

But this would mean the surrender of the authorities the pomp and power enjoyed by men at the top—mostly the urban people, who now have the reins of administration and social authority in their hands. It would be expecting too much of them to write their own liquidation order. There may be a few leading men who can rise above class



instinct; but left to themselves, most of these ordinary men – unless properly educated and reformed – would cling to their class interest. And, that is why we have so far failed in our programme for rural developments, which would make a peasant master of his own lot, which would allow a village craftsman to have a decent and independent living, which would empower the village panchayats to manage their own affairs and which ultimately would mean so much power being taken out of the hands of bureaucracy. Even allowing them the credit of being financially honest, which is also questioned, intellectual honesty of working out the programmes to their true implication could hardly be expected from them.

Then what is the way out? Are we to move only in a vicious circle or can we find any way out? Unless the problem of human element is properly tackled it would be difficult to implement our programme – particularly the programmes for the development of rural areas and of decentralised political and economic authority.

### **Importance Of Behaviour**

In a totalitarian country, the solution is somewhat easier, – at least insofar as to make the people conform to the norms and forms; but in a democratic society the task is difficult. Yet we must undertake the task; the beginning is to be made from the top. The example is to come from above. The ordinary man justifies his lapses and failures by pointing his finger to the man in authority enjoying so many privileges and or indulging in doubtful practices. In democracy you have to take care of the public opinion. Caesar's wife must be above suspicion even though

the suspicion may be ill-founded. Even from the ranks of congressmen whispers of suspicion are heard. They flow down to the remotest village level. So human element at the top should behave in such a manner that no evil gossip may gather round them; and only then they can ask the ordinary man to behave. Gandhiji used to say that his life was his message. We can only wish that men who have been put in charge of implementing the programme of development may remember Gandhiji's saying so that their life also may be their message and advise to the people. If this is possible, we can expect considerable improvement of the human element – which is essential for the establishment of a new and better social order. Wastes of public money, infructuous items incurring huge expenditure, corrupt practices, doubtful and dubious deals, a little twist somewhere leading to programmes going wide astray, indifference to catch the spirit of the programme, lack scrupulous observance of rules, – all these have to be avoided to generate a sense of good citizenship and of civic integrity – among the masses. And this will be possible only if the human elements in charge – at different stages and different levels – are of a better type, imbued with love for truth, passion for serving the people, sense of responsibility and with high personal integrity. Instead, for immediate expediency, the question of human element is now being ignored. Purity of character is not given the consideration, it deserves. It is time that we recall what Gandhiji has said about the importance of the human element.



# USE OF POWER IN VILLAGE INDUSTRIES

( By JHAVERBHAI PATEL )

The place of village industries in our economy is a point of permanent debate in our country. What decides this place? In the final analysis it is the inherent strength and qualities of village industries themselves that decide their place. Consumers' considerations apart, what prospects do village industries offer to their producers? Do they provide them only relief opportunities or do they become their mainstay enabling them to attain the fullness of life economically and culturally? There is need to re-state the whole proposition of village industries. There is need very clearly to distinguish the present limitations of village industries from the objectives with which they have to be developed. Very often limitations are mixed up with objectives. Rather than idealising the limitations they should be traced to circumstances. It will then become evident that many of the present limitations of village industries arose out of circumstances prevailing in the pre-Independence days. There is today the will and there are the facilities provided by the Government which were absent before. The token programme that had to be undertaken before has a chance of being universalised in the days of national planning. Instead of the relief programme that it used to be it can be converted into a vital programme

in the national economy. It has of course to be remembered that vitality always comes from within. Keeping up of old limitations only keeps the vitality low. But for want of research and experimentation these limitations are adhered to or sometimes even idealised.

In the absence of a clear distinction between the limitations and the objectives of village industries and of continuous efforts to overcome the limitations for achieving the objectives there is a tendency for old notions to persist. The notions of employment and the skills of the traditional artisans, for example, remain as unprocessed as ever before. Such techniques must be adopted, it is argued, as will suit the present level of skill of the artisans. Is there no scope for improving this skill and should it be regarded as a permanent factor? Higher techniques using power again are dreaded as creating unemployment. Do higher techniques therefore, bear no scrutiny and can none of them be used discriminatively? Is there a permanent conflict between the decentralisation and higher technology or can the two be reconciled? These and similar other questions call for continuous experimentation for satisfactory solutions. Nothing is as detrimental to the progress of village industries as the attitude of finality of notions



about them. The Central question is the 'man' behind the tools. What standard of life can he achieve through village industries? How many hours of work will he be required to put in? He definitely want answers to these questions if he has to take to village industries seriously.

Recently Vinobaji has been insisting that 'Atmagyan' (knowledge of soul) should be welded with 'Vigyan' (Science). At the Chalisgaon Conference he stressed this point further and emphasised that earnings of 8 to 12 annas that are possible through the present techniques of village industries would hardly do. From the point of rational time table of work Vinobaji has suggested 6 hours of physical work for a whole time occupation. This is because workers should not exhaust their energy in mere physical work but should spare some for intellectual and spiritual pursuits. If a third objective of self-employment is added to these it becomes a triangle of objectives of which minimum income, rational time table of work and self-employment form the three angles. This triangle of objectives and not the present limitations should guide the policies and programmes of village industries.

Of the three objectives that of self-employment is non-controversial. The other two objectives also cannot be disputed. But doubts are raised as to their feasibility and since "The better is the enemy of the good" the good is adhered to. Rather than the good conditioning thinking, however, the better

should point to the necessity of exploring all possible ways and means of fulfilling the objectives. A very powerful factor in this direction is that of higher techniques. Through higher productivity higher techniques can reduce the hours of work as well as raise incomes of the workers. The question is, however, raised whether higher techniques can be introduced without detriment to the over-riding social objective of full employment. This is a point which needs to be studied in the objective conditions of our villages, rather than from a theoretical point of view. Usually the employment potential of two sets of techniques is discussed. For example, the employment potential in the various processes of khadi is compared to that in the mill processes and obvious conclusions are drawn from this comparison. But itemwise employment potential is hardly the proper approach for solving the problem of unemployment in the villages. For that, the evolution of the occupational pattern of the rural economy becomes central. It is only under such an overall occupational pattern that full and balanced utilisation of manpower can be envisaged. The Intensive Area Scheme has been carrying on investigations in this direction, for the last four years. A few village plans have been prepared and implemented from this point of view. Further research continues. But the limited experience gained so far suggests that some of the apprehensions of unemployment resulting from the introduction of higher techniques may not prove true. Higher techniques are not the only factor that reduces manpower utilisation. Another factor which equally contributes to the



reduction of employment opportunities is low consumption. There is scope for higher techniques through increased consumption. That this is a vicious circle is a different thing all together which should not be allowed to cloud the issue.

The present moment a regional plan of development is being formulated for a lakh of population comprising 250 villages of five contiguous Intensive Areas in the Moradabad District. Some of the data collected through survey presents a very broad picture of the employment position. The position of working force of males and females against a total population that will grow upto 1971 is given in the Appendix at the end of the note. The bulk of the working force will be absorbed in intensified agriculture, although manpower requirements are calculated on the basis of rationalised agriculture. While rationalisation will reduce manpower requirements intensification will raise absorption. A six-hour time table for a day is not taken into account as the seasonal requirements of agriculture do not admit of it. This time table is, however, taken as the basis while considering women's functions. Taking six hours of work per day the women working force is absorbed in household duties and animal husbandry. The total manpower required in 1971 for a production programme of intensive and rationalised agriculture and 30 yards of cloth per capita with some improvement in housing conditions comes to 14.6 million mandays of six hours each. This takes into account only a few village industries, such as khadi, oil, leather, gur,

khandsari, housing etc. To this must be added the requirements of personnel for social services as also other industries. As against this total requirement the manpower available comes to 12.5 million. This is a picture which can be envisaged on the basis of higher consumption and reduced working hours. The gap in the available manpower indicates the scope for raising techniques or the use of power in them. If we bring cane crushing, carding, slivering and calendering into the groups of processes where power is used this will reduce manpower requirements by about 1.5 million mandays. It is evident that even the use of power in these processes does not create any unemployment; nay it still leaves a gap in the available manpower. Even though these are to be taken as accurate statistics they are nonetheless good indicators of the broad situation pointing the need and the desirability of using power with discretion in the processes of village industries with a view to raising productivity and incomes of workers.

### Present position

At present, mechanical power is used in the following processes of Khadi and village Industries.

#### 1) Khadi

(a) Ginning, (b) Wool Card, (c) Calendering d) Dyeing, e) Manufacture of equipment.

#### 2) pulp making in paper.

#### 3) Fibre extraction.

#### 4) High power kilns in pottery.

#### 5) Tanning Chrome leather.



The consideration that has governed the introduction of power in these processes has been mainly technical. Wool carding with power has been adopted for health reasons. These therefore provide two criteria. Along with these some broad principles for the introduction of power into the processes of Khadi and village industries may be indicated below:

### **1. Technical Reasons**

For ensuring the minimum quality and efficiency of production. Under this head the use of power should obviously be extended to sugarcane crushing and khandsari manufacture. (i) Pressing of non-edible oilseeds whose cake is to be used only as manure be considered under this head.

### **2. Health grounds**

Disposal of carcasses and processes of leather tanning should be considered under this head.

### **3. No Displacement Of Existing Employment**

This should be distinguished from the employment potential in a particular process. Khadi is an existing industry only to a very limited extent. For all practical purposes development of Khadi will provide new employment. Introduction of power into some of its processes, therefore, cannot be said to displace existing employment. Carding and Sliver making for cotton Khadi should be considered for introduction of power under this head.

### **4. Employment Potential**

The scope of employment should be viewed not as an isolated item but against the background of an occupational pattern of the village economy. It should also be viewed against the background of higher consumption standards and rational time table of work.

### **5. Pattern of Organisation**

While introducing power in Khadi and village industries three things should be ensured. It should not lead to exploitation by the resourceful. The managerial personnel should be provided by the backward sections of the village community. One region should not exploit another region.

### **6. Experiments**

To evolve regional plans in which the decentralised co-operative economy replaces the competitive economy. This cooperative economy will work out a rationale of distributing processes between home units, village units and regional units of industries and harmonise the interests of all the three types through the mechanism of price pooling and allocation of processes. Such a cooperative economy again will work out phased improvements of techniques consistent with social objective. In short it will translate Gandhiji's idea of "the Oceanic Circle in place of the competitive pyramid."



APPENDIX

TABLE I

Estimated Man power, Available, and Required—Dhanaura Region in 1971  
(Mandays)

Population (Estimated) 1961—1971	Working force (16–53 years)			Mandays Available (000)		
	Men	Women	Total	Men	Women	Total
1,07,350 1,17,080	33360	27660	63020	10608	1900*	12508

\*Estimated on the basis of labour required for animal husbandry.

TABLE 2

Estimated Manpower Requirements (1971) (000 Mandays)

Mandays Available	Requirements in 1971					
	Agriculture	Animal Husbandry	Vill. Indus.	Housing	Total	Short fall
12508	8348	1900	3301	545	14594	2586

TABLE 3

Employment In Major Village Industries (1971)

S.No.	Name of the Industry	Name of the process / Unit	Employment (in mandays)	
			Employment in the process	Total Employment in the Industry
1.	Gur and Khandsari Industry	Khandsari making in power units	1,00,000	
		Gur making in bullock driven units	4,00,000	5,00,000
2.	Khadi	Carding Pedal		
		Carding machine	66,000	
		Sliver making	12,00,000	
		Spinning	7,90,000	
		Weaving	4,76,000	
		Calendering	72,000	
		Dyeing & Printing	45,000	26,49,000
3.	Leather Industry	Flaying	6,000	
		Tanning	6,000	
		Shoe Making	50,000	62,000
4.	Village Oil Industry	Oil Pressing	90,000	90,000
Grand Total				33,01,000



# ROLE OF VILLAGE PANCHAYATS\*

( By SHRI U. N. DHEBAR )

Article 40 of the Indian Constitution lays down :

"The State shall take steps to organise Village Panchayat and endow them with such powers and activity as may be necessary to enable them to function as units of Self-Government".

Some of us have allowed ourselves to think or rather believe that according to the spirit of the Constitution the Village Panchayat constitutes the base of the entire administrative mechanism of the State, its principal source from which all activities flow. Then, there are others who have been working under the belief that though it cannot be or is not the centre, decentralized administrative set up of the State. Finally, there are those who have been arguing that it can only be a normal unit—not the base but at the base of the structure in the hierarchy of the Local Self-Governing Institutions of the State, whatever sentimental or platitudinous declarations may accompany its creation. The problem for the citizen is to first fix its exact role and location in the body politic as well as the constitution of the country. The first category of persons regard it as the centre and the base, the second as an important link in the administration, while the third only give it a place somewhere near the periphery.

## **The Root Facts**

The Simon Commission in its Reports

Said :

"But the root facts of Indian Village Life remain and must be appreciated no less by the constitutional reformer than by the agricultural adviser."

Before it crumbled under the pressure of the British Revenue, Judicial and Police Administration, the picture of the Indian Village was the picture of a vital and dynamic socio-economic organism. In the words of Dr. S. Radhakrishnan, it supplied the nation with a purpose, a meaning and a faith.'

In the words of Charles Metcalfe :

"The Village Communities are little republics having nearly everything they can want within themselves, and almost independent of any foreign relations. They seem to last where nothing else lasts. Dynasty after dynasty tumbles down, revolution succeeds revolution, but the Village Community remains the same . . . . . I wish, therefore, that the village Constitution may

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\* This article is adapted from an address delivered at the Institute of Public Administration, Patna University,



never be disturbed and I dread everything that has a tendency to break them up".

There was, however, a deliberate attempt to smother the village commune. The excessive centralisation of executive and Judicial powers in the hands of the Government officials and introduction of Landlordism acted as little and big wedges in the corporate life of the villagers. They were robbed of their age-old homogeneity, power and influence they exercised over the affairs of the village and villagers. What could not be destroyed by 'dynasties' of despotism and the 'revolutions that succeeded revolutions' was demolished by design and with deliberation.

Dr. Radha Kumud Mukherjee gives the picture of the Indian Rural Administrative structure before this calamity overtook the village. He says :

"India presents the rare and remarkable phenomenon of the State and society co-existing apart from and in some degree of independence of each other, as distinct and separate units of entities—as independent centres of national, popular and collective life and activity. Both of them were independent organisms with distinct and well-defined structure of their own and laws of growth and evolution."

## Need For New Thinking

Thus, if the Village Panchayat is to be, in the words of Prof. G. D. H. Cole, the 'Master-Architect' of the destinies of the people in the village, if it is to set an example in community living, if it is to be a centre of national, popular and collective

life and activity in the words of Dr. Radha krishnan, a 'purpose' a meaning and 'faith' to the nation, if it is to engender a love of self-help and self-reliance, we will have to reorient our minds and look at the question of its powers, authority and resources not from the angle of the residuary lowest unit of Self-Government, but as a unit of Self Government charged with some fundamental responsibilities. It goes without saying that in that sense it must be endowed with some basic rights also.

Gandhiji wrote in the Harijan some twenty years ago:

"I have been saying that if untouchability stays Hinduism goes; even so I would say that if the village perishes, India will perish, too. It will be no more India. Her own mission in the world will get lost."

This in effect explains the role he expected the villages to play in the future set-up of this country. The sophisticated Indian had a limited faith in his prescription because he had a limited faith in the social order he was envisaging. He (the sophisticated Indian) had a mind of his own and, therefore, a picture of his own. He was prepared to do all he could to develop the village. In essence, however, he aimed at urbanisation of the countryside. Panchayat, therefore, to him was a tiny administrative unit, an embryo municipality at best. He accepted to include his provision in the constitution on second thought at the instance of Gandhiji.

## History And Change

History is made by the people. But it



also shapes the people in the process. Every incident in history, every experience gained in the process produces not only some outward result, but affect the people pshychologically and emotionally. The dents and curves of history leave their impressions and give their turn to the people's minds which are more lasting and enduring than the earthly results these historical incidents directly produce. They go to augment some qualities of head and heart in the citizens and curb other just as much as they go to augment some weaknesses and curb others with the result that a special aptitude is developed. A nation is not merely a multitude. India is what she is together with all that it has inherited from history and her experiences.

India as started on a new long Journey. It has opened a new chapter – neither the first, nor the last. We are charting and mapping the course of our destiny. It includes the destiny of a sixth of the human race, 80 per cent of which resides in the villages. A machinery is but a medium. It is a means. It is but a vehicle. Let us, therefore, reach a balanced decision on this question of what position we allocate to the Village Panchayat in the administrative set-up of India.

### One Condition

Normal logic suggests that with every addition to man's experience and knowledge, whether in the social or economic field, the institutions that govern the life of the people should undergo a change. There is one condition, however. Such a change should reflect strength born of added experience and knowledge. It implies

inevitably a widening of the base of social and economic institutions of people.

Gandhiji would have had no quarrel if with every step in the political and economic advance of the country, the institution in India regulating the life of society widened at the base. He said at one time:

"In this structure composed of innumerable villages, there will be ever-widening, never ascending circles. Life will not be a pyramid with the apex sustained by the bottom. But it will mean oceanic circle sharing the majesty of the Ocean of which they are integral units."

And he added :

"The outer-most circumference will not wield power to oust the dinner circle, but will give strength to all within and will derive its strength from it."

### Our Handicap

it is my purpose to show that the modern thinking also leads us to it. Most of us, and I would include myself in this, are suffering from a handicap. We have allowed ourselves to be cut away at any rate intellectually and emotionally, from the village life, even if physically some of us still continue to maintain some contacts with it. It costs some effort, therefore, to read the mind of the villager. It is certainly not empty. Nature abhors vacuum. His mind is absorbing new ideas and is developing fast as it was bound to. He is showing signs of keen interest in sharing



the fruits of freedom and benefit that scientific and technological advances give. He is also becoming urban minded. This would have been permissible if the objective conditions in India were not what they are. Urbanisation of mind and rural conditions of life will, however, produce strains and stresses which we cannot afford to ignore, since we cannot hope to create, even if we wish, conditions that will go to fulfil all his reasonable hopes within a measurable distance of time. One possible check, therefore, on those strains or stresses developing into some kind of an eruption is to weave him in the larger network of the national effort, so that he may know as a participant and a sharer in the huge task that confronts the nation that is something stupendous and also that none is interested in letting him down. The only possible medium for his purpose is the Village Panchayat.

## Self-Reliance

Secondly, development of a country depends upon the resources that it can invest in its development. For an under-developed country, trying to build up its economy, dependence is inescapable for a time. There is, however, a limit beyond which such a dependence may affect, if not its freedom and liberty, its free choice to adopt or pursue its own policies in the social and economic field. What that limit should be is a question of judgment. During the course of the last few months, however, you must have observed an atmosphere that even normally prudent people have started thinking in terms of aid for survival

when they should be thinking in terms of a supreme internal effort for survival.

An investment programme creating fixed responsibilities assumes the existence of certain surpluses at home or availability of foreign assistance. In India we have very little of liquid surpluses and necessarily we have frequently to fall back upon the second alternative not by choice but by compulsion of events. But this alternative involves the risk I have referred to above. What can we do to meet this situation? I am not an economist, but I feel that we should start thinking in terms of greater and greater self-reliance. That does not mean that we shall stop investments on large-scale industries, nor does it mean that we shall not think of commitments of a character needing foreign exchange. As far as I can visualise, the completion of the projects we have already started will need considerable foreign exchange to finish them, for, we cannot permit any part of our capital to be locked up. But all the same the alternative is plain. I am thinking in terms of maximum utilisation of our internal resources. We have vast untapped resources of human power. We have other resources also lying scattered which we are not in a position to utilise simply because of our inability to mobilise them. I think that when Gandhiji emphasised the aspect of self-sufficient village economy, he had in mind the utilisation of these scattered resources and the idle or semi-idle but potentially immense man-power. These cannot be utilised by the Centre and the States because they are operating from a distance and it needs a lot of detailed



attention.

### Scattered Resources

These scattered resources vary from the wasting manure dumps of dead leaves and the leavings and droppings to the spiritual resources of the people. There is a vast reservoir which remains to be tapped which somebody will have to and which only the Village Panchayat can do. Will it be interested in doing this unless the country at large accepts values of rural life as basic values on which the edifice of Indian Swaraj can be built ? If the latent potential of the village community in India is to be tapped to the maximum we have to accept that we have to depend upon the villages for a long time to come and cannot afford to encourage an attitude of life that seeks an escape from the village life.

The village then becomes the fulcrum point of a comparative socio-economic revolution which it cannot be, unless it is endowed with the necessary opportunities for developing the necessary initiatives and is provided with the necessary wherewithals in the shape of amenities, technical assistance, financial and administrative powers. There is a difference between a bread winner and a mercenary deputy. One is a votary; the other is a victim. Village has got to be lifted both in status and authority. It will have to be reinvested with the powers that would make for its dignity as the nation's socio-economic citadel.

### Question of Survival

Finally Gandhiji wrote about the special contribution of India in the context of

world conditions. That civilisation can only hope to survive which aims at the total development of mankind, the medium of such development being tolerance for all points of view and all shades of opinion. Every village in India had been, till the other day, a symbol of the philosophy of self-help, co-operation and Panch Sheela. We aim at reviving it. its revival, will undoubtedly have to be accompanied by a reorientation which the scientific and technological age in which we live demands. It is only a socially integrated people that can fulfil this obligation. For such a purpose we should aim at providing to the people in the villages suitable opportunities to develop themselves as a part of the whole—socially, economically and otherwise—through media basically available locally and of their own selection. We have reason to expect that in expressing themselves through this kind of dignified creative effort, they will attain an integrated personality. Democracy is not merely a rule of a temporary numerical majority. It is the expression of the urges and activities of society as a whole undisturbed by external dictation resulting in a feeling of satisfaction at participation in a creative effort, preceded by participation in its planning and followed by equitable distribution of its fruits. So long as that feeling is missing, whatever the quantum of physical participation in the administrative or developmental activity, the experiment in democracy will not take roots. We propose to share thus in building up World Peace and World Democracy. Any scheme that we may



formulate must work for and not hinder any of these essential objectives.

### **Village Organism**

The conception of a village organism must affect our conception of 'Panchayat Administration'. It will not merely be a functionary operation at the periphery. It will also not be a decentralised wing of the administrative machinery of the State. It has to be the base of a new social order based on certain values of life. It has to serve as an effective instrument of a peaceful social revolution. It has to be a vehicle for decentralisation of political and economic power. It has to be a model of composite democracy, and all this it has to achieve through a certain positive angle.

I appreciate that the picture I have presented is not capable of immediate implementation. Gandhiji also said :

"I may be taunted with the retort that this is all Utopian and, therefore, not worth a single thought. If Euclid's point though incapable of being drawn by any human agency, has an imperishable value, my picture has its own for mankind to live. Let India live for this true picture, though never realisable in its completeness. We must have a proper picture of what we want, before we can have something approaching it. If there ever is to be a republic of every village in India, then I claim variety for my picture, in which the last is equal to the first, for, in other words, no one is to be the first and none the last".

### **Limitation of The Vote**

An experiment of this character must

grow with the growth of the consciousness of the people and development of a normal type of leadership among them. A western pattern of elections is itself a result of growth, a consummation of a long process of trial and error. It cannot be grasped, except in its mathematical significance having regard to the level of consciousness obtaining in the villages. Our rural population apart, some of us even have yet to digest this aspect of democracy. How much more difficult it will be for the people in the village to digest it? The vote should not, therefore, be allowed to divide the people's affiliation to each other. Political parties with their rigid mental inhibitions cannot operate without by passing this basic need for social integration and without injuring the process of community existence at any rate in the present state of things. I would, therefore, unhesitatingly say that election on Party basis would be the worst service that we can render to the people in the villages.

Prof. G. D. H. Cole, speaking of Party politics in Parish Councils, Says :

"A Parish Council can hardly work well if our Party is successful in capturing all the seats in it. It needs to reflect the composition of the Local Community Government as a whole and to organise co-operatives among members of it despite their political difference".

### **An Original Approach**

While elections are essential for assessing the wishes of the people, the important thing is how to ascertain the wishes



of the people and not the particular method. I would, therefore, plead for an original approach to this question of ascertaining the wishes of the people. If we emphasise the maintenance of unity in the villages, we can still find in every village a few individuals in whom the village community is prepared to repose its confidence. What is needed is a personnel which understands the minds of the people in the village and the prevailing currents and not merely satisfy the mechanical mathematics of the election law.

Unanimity does not, of course, mean cent per cent unity. The bulk of the people in the village must be by the side of the Panchayat if it has to discharge its heavy responsibilities. Otherwise, pretty lot of its time and energy will be taken away by feuds and intrigues. It will ultimately end in disintegration and frustration. We shall have sacrificed a rich and noble goal at the alter of individual and sectarian passions and created a morbid type of leadership which will suck away whatever is left of the desirable qualities.

It is difficult for me to answer the argument as to how to achieve the unity in the midst of factions that prevail in the villages. I can only give my own testimony by citing the example of Saurashtra. But, apart from that, I cannot forsake my faith in the essential wisdom of the villager. If properly approached and if approached by persons in whom they have confidence, they will listen to the voice of reason and wisdom. Love for a peaceful, contented and useful, existence

still fills their hearts and rules their thinking.

### Classification

I have also been an advocate of classification of Panchayats. They should be promoted as they grow in experience and in maturity. This has been tried and has proved successful in Saurashtra. 'C' class Panchayat discharges the normal sanitation and other functions, 'B' class Panchayat takes over collection of State dues, including Land Revenue and grants of small Taccavi loans and discharging other functions of a Patwari or Circle inspector. 'A' Class Panchayat takes over judicial functions. The Government contribution increases in proportion to the increasing functions they discharge. Generally it takes two years for a 'C' class Panchayat to rise to 'B' and a year or two more for 'B' class Panchayat to progress to 'A'. I have a feeling that the villager can only be impressed with the consideration of responsibility to the extent there is an earnestness in the leadership of the State to transfer responsibility to the Panchayat. The fact that the State Government is out to transfer real, genuine and widest possible powers has seldom remained ineffective in toning up the Panchayat and extracting the best out of it.

Village administration functions at the closest quarters with the people. There is no scope for building up any artificial hallow of authority or awe as in the case of Ministers or officers. Both in the interest of the village leadership and the people in the village, there should be no use for coercive powers,



though they may have to be granted. The only effective method can be persuasion and conversion. The proper course is to generate loyalties to the values of a new co-operative and cultured way of life. Village Panchayat should be a medium or should provide avenues for social training and community living.

There is no scope for policing a village. Inner or self-restraint is the only defensive mechanism in the social life of a village. Even in a secular democracy there is room for the people drawing lessons from the faith of their fathers and building up foundations for the character of their children. We cannot taboo religion. Religion at the village Level will divide or disrupt the least.

## Define Functions

The function of a Panchayat should be well-defined. The Planning Commission have in the Second five Year Plan made an effort to do so. They have divided the functions into two broad categories, administrative and judicial functions concern the administration of civil and criminal Justice, enforcement of labour legislation, especially agricultural workers, Minimum Wages Act and simple disputes pertaining to land. Administrative functions include civil functions and functions pertaining to land management and development. Civic functions concern village sanction, watch and ward and registration of births and deaths. Watch and ward functions must rest with the village elders. The revenue and judicial powers of a Panchayat constitute the essence of its status and dignity. The powers of collection and

utilisation of land revenue and the Nyaya Panchayat will give it the necessary influence with the people. Discussing these in detail in Chapter VII, para 12, the Planning Commission provide for :

- (a) Association of the Panchayats in the implementation of Land Reforms;
- (b) Regulation of the use of land, more specially adaptation of standards, good management and cultivation;
- (c) Farming and implementation of the progress of production in the village;
- (d) Promoting co-operation and co-operative effort;
- (e) Promoting cottage, village and small-scale industries; and
- (f) Mobilising popular support for the implementation of the Plan as a whole.

## Stark Realities

In this connection, naturally, we may turn our attention to the National Extension Services and the Community Project Blocks. This is definitely an advance on the old thinking. The stark realities of India's poverty and backwardness, and witnessed in the rural areas, require an all-our effort with the Village Panchayat as the medium through which a country can register a call to the people of the village to give of their best in the emotional, in the cultural and in the productive spheres of the country's life.

The questions that remain now to be discussed in relation to administration are finance and personnel. It is true that the State Governments are short of funds, I



have already suggested above that there are considerable non-liquid resources which lie scattered all over the villages. The need of the moment is to mobilise man-power and material resources so lying scattered. The test of administrative efficiency lies in successfully tackling this matter. A labour tax cannot be ruled out with an opinion to pay it in cash or kind. Ten crores of adult population at the rate of 20 days' labour in a year (which was customary in old days) can give, in the form of labour, 100 crores at the rate of half a rupee worth of labour per day. This plus scrapping of unused resources which may be lying idle or being wasted including surplus land wherever it exists, contribution and savings, etc., can produce a sizeable amount. I may be over-optimistic. But I have to answer the pessimist. We can just make a beginning.

#### **Personnel**

Next is the question of the personnel,

both official and non-official, dealing with the Panchayats. Unless there is that emotional affinity between the members of the panchayat and the official and the non-official personnel, we shall not be able to progress smoothly. I have already suggested above the need to devise some kind of machinery, semi-official or official-cum-non-official as may be available in the area, to assist and guide as distinct from control and order about the Village Panchayat. We should be the friend, philosopher and guide of the Panchayats ready to applaud where applause is deserved and always prepared to take a share in responsibilities to ward off undersirable influence deflecting its course, where such help is required. We should forsake dependency and dejection. We should cease to be its critics. The village is the hope of India. We should learn to inspire hope by hoping ourselves.

In our country special significance is attached to handicrafts and such small-scale industries as can be easily managed at home during spare time. If we lose sight of this fact and imagine that we can solve the problem of unemployment through industrialisation, I am sure, we shall only have disappointment in store for us. Unless the problem of unemployment is tackled successfully, we cannot remove poverty, because whatever the quantity of wealth available in the country, it can be shared only among those who have some kind of work to do. The main victims of poverty are, after all, those who are jobless or who may be partially employed. Therefore, it is in the interest of the people of the rural areas and of our country's prosperity as a whole that the wrong impression referred to above is corrected and all efforts made to popularise and improve our cottage industries.

—Dr. Rajendra Prasad.



# ON CONSTRUCTIVE ACTIVITIES

(By R. K. PATIL)

Recently I had an opportunity of visiting the Khadi Gramodyog Vidyalaya, Machla (Madhya Pradesh), on the occasion of a function to celebrate the conclusion of its training session. Besides Machla, I visited Tablai and Thibgaon centres in Dhar and Nimar Districts respectively and had a close look at the constructive work being carried out there. I am giving in this article my impression based on the observations in these centres. In the absence of any adequate personal knowledge about these constructive activities in other centres of the country, it would not be fair to claim that the views expressed in this article can apply in general to all centres of such activities in the country. It is, therefore, hoped that these views would be considered in their proper perspective.

## Selfless Workers

At the outset I would like to introduce to the readers those constructive workers who are in charge of the activities of these centres. There can be no two opinions about the high character, integrity, sense of dedication and efficiency of these constructive workers. They are all a set of selfless workers devoted to a cause. Shri Devendra Kumar Gupta, whom I met in Machla, is running a Cooperative Farming Society comprising of about 25 landless families. He had stu-

died all the aspects of the village industries for a fairly long period while he was associated with All India Village Industries Association in Wardha. He also served for some time as an instructor in the Gramsevak Vidyalaya in the same place. Motivated by a spirit of service, he has chosen Machla as the centre of his constructive activities and his efforts with regard to community co-operative farming have proved a success. He has so far devoted four years in this field and has gained valuable experience. Shri Gupta has arrived at the conclusion that though individual farming has the allurements of individual prosperity and the cultivator may be induced to put in more labour for his own gain, the community farming has a number of advantages and it can be said with certainty that in India the community co-operative farming can be more beneficial than the individual farming of the Indian cultivators.

In Tablai, I had the fortune to meet Shri Kashinath Trivedi who is engaged in village uplift work on behalf of the Gandhi Smarak Nidhi. He has dedicated his life to the cause of the down-trodden and less privileged people of that place. He had also spent a good part of his life in constructive activities. Under the guidance of Gandhiji, he had worked on



the editorial staff of "Navajivan" (Hindi) and "Harijan Sevak". He had also worked for the propagation of Basic Education and given deep thought to this subject, vital for the development of the nation. Being always interested in child education, he visited Italy and Switzerland in connection with the 13th International Montessori Conference. Shri Trivedi who is a learned writer and has a facile pen, had worked for a short while as Education Minister in the former Madhya Bharat State. Though a man of high morals, he has a pliability of temperament. His son-in-law, Shri Prabhakar Joshi and Shri Mahadeo Prasad Vyas are collaborating with him in the Pre-Intensive Area Scheme of the Khadi and Village Industries Commission.

### **Spirit Of Devotion**

Another village Thibgaon, which I visited, has been a centre of constructive programme since the last 20 to 25 years. This place was selected as a centre for organising constructive activities by a veteran constructive worker, named Shri Vishwanath khode who was entrusted by Gandhiji with the task of launching the movement of Khadi and village industries in Indore State in the year 1935. Shri Khushal Singh Chouhan is another constructive worker who is settled in this village since more than fifteen years. He is also engaged in the Pre-Intensive Area Scheme with his friend, Shri Rajgopalan. Both had the opportunity of working under the late Shri Kishorlal Mashruwala.

I was deeply impressed by the spirit of devotion and missionary zeal of these per-

sons. I can say without any hesitation that persons of such merits are rare to find in this country. Compared with salaried Government servants who man the development departments, these constructive workers possess superior qualities. They are easily accessible and pleasant mannered.

### **Popular Response**

But one fact I would like to state here is that the efforts of such eminent constructive workers have carried very little weight with the local village people, and whatever results they have achieved are not commensurate with their efficiency and seriousness in application to work. Therefore, it is necessary that, before we propose to expand such constructive activities in larger areas, we should pause and ponder how far our programmes of mere fulfilling the targets in terms of numbers and achieving quantitative results with the help of even selected workers, would be successful, when the efforts of those veteran constructive workers mentioned above have not met with much success especially when it is generally accepted that the activities with regard to the development of Khadi and Village Industries need a psychological change and a particular outlook on the part of the people of the area in which they are to be implemented.

My observations made above should not lead the reader to believe that the constructive workers whom I have mentioned above have not succeeded in any of the activities which they have under-taken. I have already mentioned the success achieved in the field of community cooperative farming in



Machla. This centre runs a Khadi Gram-odyog Vidyalaya with aid from the Khadi and Village Industries Commission. The Principal of this Vidyalaya, Shri Dattatreya Sarmanda, has been an old, leading specialist of Indore City, who was later attracted towards the Gandhian ideology and accepted the Principalship of the Vidyalaya run on the lines of an Ashram, Shri Phulchand another prominent resident of Tablai, was attracted towards Sarvodaya philosophy after he came in contact with Shri Kashinath Trivedi and donated 35.5 bighas of his fertile land to the Gandhi Smarak Nidhi for the construction of the Ashram. Shri Phulchand has dedicated his life to the cause of Sarvodaya and he leads the life of an Ashramite. In Thibgaon one Institution named Udyog Mandir has been constituted under the Intensive Area Scheme. I could find that workers of all the centres have established very good contacts with the village people.

### A Paradox

In spite of their success in other fields, it can be said that they have not achieved much success in propagating Khadi and village industries in their respective areas. The sales of the products of village industries depend on the purchasing power of the towns. The model oil centre organised recently in Tablai also depends upon Dharampuri town for the sale of the oil produced there because it has been found that it cannot be consumed in Tablai or even the surrounding villages. Consequently, almost half the output of oil has to be sent out of Tablai for sale. Thibgaon also faces the same situation.

Similarly I observed that the oil produced by about a dozen telis of Kasturbagram near Machla, where they have been rehabilitated, is sent to Indore for consumption. During the course of my visit, I found that, though efforts to popularise Khadi and village industries in this area have been undertaken, these industries have not yet taken roots. Another observation that I could make was that no scheme has been launched to increase the agricultural production in this area. Though a dam has been constructed in Machla with the help of a bulldozer and it has stepped up agricultural production in the area of co-operative farming to some extent, it has not helped other cultivators of the villages. Though a flaying centre was organised in Thibgaon, the untouchables known as *balais* did not take advantage of this centre as they were afraid to lose their own occupation. The worker managing the pottery centre in Thibgaon Intensive Scheme also complained that the local potters did not take advantage of the centre.

### Problem of Credit

A number of activities of rural reconstruction are being carried out in the three centres, especially Tablai and Thibgaon. Tablai has a Balwadi and a dispensary. Both of these institutions are very popular with the local population. Nearly Rs. 1,450 were spent for the construction of the building for locating the Balwadi. I was told that the local people contributed generously in its construction. This proves that village folk contribute wholeheartedly in those projects from which they hope to be benefited.



Another observation that I could make was that the cultivators in Tablai and Thibgaon were demanding loans from the State Government at low rate of interest as they had to pay heavy rate of interest on the money they borrowed from money lenders. Therefore, the prime necessity of the villagers is that they should get loan at low rate of interest. But I was sorry to find that neither the Gandhi Smarak Nidhi nor the Intensive Area Scheme\* had paid any attention to this problem of the villagers.

Tablai has a Multi-purpose Agricultural Co-operative Society of the Adivasis, which was organised recently. It runs a provision store also. Another cooperative known as Agricultural Credit Society has been organised in this village. Though the members of the two societies have been given some loans, they need more funds for their agricultural operations. Though cultivators are prepared to mortgage their rights over the crop for borrowing money, they are finding it difficult to get loans from the Co-operative Bank. Thus they have lost all hopes of getting credit for their agricultural operations. It can, therefore, be said with frankness that no solution has been found so far for this problem of cultivators of the Thibgaon.

I could gather from the constructive

workers of the two centres that they would like to have further training in the work of village reconstruction as they were not getting proper guidance in this direction from the institutions under which they were working at present. They were therefore, feeling a sense of frustration which should be removed as early as possible. I also found that the trainees who had completed their training course in the Machla Vidyalaya are faced with the problem of finding suitable field of work. I could gather that they lacked in confidence to stand on their own legs and did not have the requisite training and initiative to serve rural people. The training they have received has equipped them only for serving in the capacity of a Gram Sevak in an institution.

### Sad Experience

When I visited Khargaum the M. L. A. from that constituency narrated the sad experience that, though the members of the cooperative societies devoted to the promotion of cottage and village crafts expected others to patronise the products of these industries, they themselves did not use the articles produced by other artisans of the village. To quote an example I may say that the weavers of the village do not use shoes manufactured by the local chamars. They are found to wear Bata shoes. Similarly mill oil is consumed by them instead of the ghani oil. A number of workers have experienced that the women spinners do not like to wear Khadi saris produced out of their own yarn. If they are given saris in lieu of their

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\*The Intensive Area Scheme is helpless in the matter, as agriculture is not included in the Schedule of Village Industries in the Khadi and Village Industries Commission Act. No funds are placed with the Commission to promote agricultural activities and, therefore, the Commission is not in a position to advance funds for such purposes in the Intensive area. This is perhaps, an anomaly. But there it is. —Ed.



wages, they accept them with reluctance. If they are allowed to have their own choice, they would certainly prefer mill-made cloth.

If we look at this sad state of affairs prevailing in the villages, we begin to doubt whether we are justified in giving a priority to the cottage and village industries for promoting self-sufficiency in the villages, as the villages sadly lack the resources to patronize their own products. Even if we give protection to village industries and give the villages legal authority to see that outside products, especially the articles produced by factories are not to be imported, you may find that very few residents from the village will like this step.

Therefore, I would like to suggest one step ahead of the principle of Gram Swavalamban or the village self-sufficiency. Khadi can be the bread-giver to the poor; provided the rich also patronise it. But it is equally true that if all the villagers themselves do not take to Khadi which is a means of livelihood for many of them, it will be found that those depending on Khadi for their bread will retaliate against those who do not take to it. Like Khadi, the ghani oil is also costly for the villagers who cannot afford to purchase it, in spite of the subsidy on its sale. I have already observed earlier in this context that the oil produced in Tablai and Thibgaon is sent out to be consumed in Dharampuri and Khargaum.

### **Community Effort**

We, therefore, come to the conclusion

that so long as the village industries are carried on only on an individual basis they can progress only like any new industry in the initial stages, provided its output is patronised by the neighbouring urban areas. These village industries cannot be organised on the basis of Gram Swavalamban under the prevailing conditions. Only if the entire village, and not an individual, takes up the responsibility of disposing of the products of the village crafts, then alone the village crafts can prosper. The village agriculture becomes a community effort and the persons engaged in farming and village industries share equally in the labour and resultant benefit. Under such conditions no single person will have individual ownership in land and its produce nor in any of the village industries products. The entire produce will be the property of the village and every one in the village shall have a share according to the amount of labour he has put in. Evidently this picture of our conception can never be a reality without resorting to Gramdan and Community farming. If even after Gramdan, private cultivation were allowed to continue every one will begin to own property and will be tempted to buy cheap goods. Then the question will arise who will buy village goods voluntarily when cheaper goods are easily available.

While planning for village development we must be beware of this danger. There is bound to be a difference in the angle of vision among the village folk regarding village development before and after Gramdan. Till Gramdan is effected our outlook towards village industries will be that



of organising a new industry for the village and not that of making the village self-sufficient in that industry.

### **[Increase The Yield**

Another problem that faces village communities to-day is that of increasing the productive capacity of land and of avoiding the loss incurred by the cultivators in marketing the produce of the land. Facilities by way of loans on easy terms, therefore, shall have to be provided there and the rural people shall have to be initiated in cooperative methods. Unless priority is given to such a programme, no scheme of production can bear fruit in villages. All rural development work should therefore, be based on such a scheme.

Responsibility for the successful running of various schemes of rural development on different persons would be rather fruitless. There must be only one source of motive power which should move all rural development machinery. This is the reason why a Community Development ministry was created. By appropriating agriculture to Government, village industries to Intensive Area Schemes and basic education to the Gandhi Smarak Nidhi, no village development work would be possible. All work, therefore, must be entrusted either to the N. E. S. where it exists or to the Gandhi Smarak Nidhi where it has a branch. Only under such an arrangement satisfactory results are possible. It is a proper adjustment and coordination, that is needed.

Then comes the question of by-passing

the constructive workers already engaged in rural organisation work. They must not be excluded from the operation of any scheme affecting the interests of the rural masses. To quote an instance, the Tablai area is faced with the problem of lack of means of travel. The number of buses sanctioned for the route is inadequate and the timings are so ill-adjusted that passengers have to undergo great difficulties in the hot sun of the noon. Often they have to travel on bus-tops with a double or treble numbers of passengers sanctioned by authority. During summer, the difficulties become four fold and danger to their life always hangs on their heads. The attention of the Government was continuously being drawn to this difficulty. Now, if the Government, relying on the wrong reports to the effect that the public was not being in any way inconvenienced, sent by the police, fails to redress the trouble, no other alternative except that of a resort to Satyagraha is left to the local worker. He has to set aside all village service work and literally launch on Satyagraha. Circumstances are tending to create a sense of mistrust and frustration between the people and the Government. Such a state of affairs is not at all conducive to constructive work.

### **Wasted Wealth**

Why is the enthusiasm evinced by the people of foreign countries, specially the Communist States, towards their national development programmes lacking in our country? How to secure that enthusiastic participation of the masses in our rural



development activity is a serious question to be tackled and we must deeply ponder over it. Various factors have contributed to the creation of the present impasse. Disappointments as a result of sad experiences originate from contact with the Administration, are mainly responsible for this climate. Measures specially designed for the amelioration of rural circumstances generally become so ineffective or mild that they create disappointment in the villages. Aid and encouragement from the State are sadly lacking.

I would like to add here another source of wealth to the villagers, which is sadly going as waste because the villagers are not induced to save it. We find that fallen cattle are not put to a useful purpose in rural areas. We should save this precious wealth by organising flaying and carcass recovery centres for a group of villagers. This is the only way for conducting this work has a gainful proposition. It has been found that, though a separate place has been allotted in every village for carcass recovery, village

leather industry is declining because this place stands there in the village merely as a monument and the village-folk are not induced to pay due attention to this industry.

### **Antyodaya**

It has been my experience that only the rich are benefited by the scheme launched in the Community Development Blocks. It is, therefore, necessary that such constructive activities should be conducted with the objective of achieving 'Antyodaya', keeping in view the welfare of the community as a whole. The selfish attitude of 'every one for himself' prevailing in our country has to be checked, and the attention of the entire nation has to be diverted towards the 'Antyodaya' so that the people not only begin to think but act for the benefit and welfare of all. The State will have to make some basic and radical changes in its policies if it desires to effect this change of heart to the people.

(Rendered From Hindi)

The real planning consists in the best utilization of the whole man-power of India and the distribution of the raw products of India in her numerous villages instead of sending them outside and rebuying finished articles at fabulous prices.

— Mahatma Gandhi



# THE OTHER SIDE OF PROGRESS

(By CHHAGANLAL JOSHI)

The Khadi and Village Industries Commission has made wonderful progress both in the production and the sale of Khadi in the last 5 years. For this achievement it deserves recognition and compliments of all lovers of Khadi. But there is another side to it also. Though the annual production of Khadi has increased from one crore to ten crores of rupees, people at large are not attracted towards the ideal of Khadi. Unfortunately, we hear that at the time of agitation against the Government, khadi also becomes the target of attack as we saw that Khadi Bhandar's were looted and burnt in Gujarat.

The other day a solicitor friend of mine who is a habitual Khadi wearer had been to the Income Tax Office for his assesment. Immediately the Income Tax Officer remarked that 'as you are putting on Khadi don't think that I shall let you go. Now the Khadi wearers are the black-markeeters and exploiters.'

The solicitor has not the courage to give us an affidavit because he is sure that, if his affidavit is reported to the higher authorities, he may be subjected to more troubles and so the evil persists.

## A Look Back

In 1920-21 at the time of non-cooperation when foreign clothes were burnt, men

like Jerajaniji, obeying the call of Mahatma Gandhiji, has given up his lucrative post of managership of the big Bombay Swadeshi Cooperative Stores and started a small Khadi shop in a newly started Swadeshi market. Men like Anna Saheb Sahastrabudhe, the present Secretary of the Sarva Seva Sangh, Shri Deodhar the present Director of Ambar Training, Shri Naba Krishna Chowdhury, the ex-Chief Minister of Orissa, a well-known surgeon, Dr. Barooah of Assam, joined the Khadi Technical School run by the Charkha Sangh in Sabarmati. It is these workers who had infused a new faith in the workers and the people at large.

In 1921 Shri Vithalbhai Patel who was formerly putting on Turkish red cap began to put on Khadi cap and was taking pleasure in putting on the coarse Khadi of 4 to 6 counts. He advised the nation to be satisfied with the torn but stitched Khadi clothes rather than encourage even the Swadeshi mill-made cloth.

Those were the days when the Congress leaders were putting on dhoti made up of two pieces sewn, together. Even Sarojini Naidu and Kasturba Gandhi used to take pride in coarse Khadi saris.

## The New Look

Now best prints are available in Khadi so much so that such pieces of Khadi are



in demand even in the foreign market. But the charm for Khadi is gone. Formerly, Khadi was considered as the symbol of simplicity and service. It was called the livery of freedom. Now Khadi is in demand for giving uniforms to the Class IV Servants or municipal sweepers or for supplying dusters in the Government offices. It is being advertised that experiments for making attractive jewellery boxes, fine and coloured Khadi has satisfied the taste of fashionable ladies.

Many Congress leaders have given up putting on Khadi as habitual dress. There may be a few ministers and Congress Presidents who have been able to persuade the members of their families to take to Khadi religiously. It would be a happy surprise if one can see any Minister's house or president's house where Khadi is put on by all the members of the family. Decorations of furniture are made up of either mill cloth or at the most hand-loom cloth. One of the Ministers who is in-charge of the Khadi and cottage Industries pleaded his helplessness for not having Khadi curtains in his own rooms because of his differences with the Chief Minister.

### Spinning Habit

At the time of birth of Khadi, Congress workers and the Khadi workers were regularly spinning and even preparing their own slivers. People in Gujarat have seen Sardar Vallabhbhai Patel spinning in Congress House at Ahmedabad or in Swaraj Ashram at Bardoli for continuously four to six hours. Wherever Gandhiji used to go, everything was furnished with Khadi. Even if a

barber's services were required, he also had to put on Khadi. But now, sometimes, a Congress Chief Minister openly puts on dhoti of hand-loom; but nobody can dare raise an objection against him. This shows the want of fearlessness.

So, physically we have advanced, but it must be admitted that we have lost heavily morally. This can be amended only if the wearers of Khadi again revert to the life of simplicity and service. The Khadi Commission resembles a Government Secretariat wherein files pass from one table to another and many of the servants are attracted not with the spirit of service, but for getting rich remuneration.

### How They Worked

When the All India Charkha Sangh offices were run in Sabarmati and Sevagram, Shri Shankarlal Banker, the foreign returned well-to-do educationist, and Shri Jajuji, then the moneyed Marwari successful advocate who were the secretaries, used to sit on ordinary carpets and mats with support of wooden boards and carrying on their work for regularly eight hours scrupulously with the help of half a dozen voluntary and self sacrificing workers like Shri Varadachari, Shri Dwarkanath Lele who is a member of Khadi Commission and Shri Krishnadas Gandhi, the great Ambar research worker.

There was a time when Mahatma Gandhiji was the Chairman of the All India Charkha Sangh and for his lieutenants he was fortunate to secure the voluntary services of the best workers and self-sacrificing leaders in almost all provinces.



In Bengal, Dr. Prafulla C. Ghosh, the First Class Scholar, M. Sc., of Calcutta University gave up his professorship and began to learn Khadi technique at the feet of the late Maganlal Gandhi. He started the Abhoy Ashram in Comilla district and with a band of double graduate workers spread a net-work of Khadi agencies in East Bengal. Acharya Kripalani was the pioneer of the Gandhi Ashram in U.P. His work is well-known. Why, even Pandit Jawaharlal, the Prime Minister of India, and, Shri Rajendra Prasad, the President of the Republic of India, worked as provincial agents of the All India Charkha Sangh in U.P. and Bihar

respectively.

Shri Rajgopalachari, the last Governor General of India, left off his roaring practice and started a small Khadi Ashram in Tirchingodu with a band of workers like Shri N. S. Varadachari, Khadi expert, Shri K. Santhanam, the well-known economist and ex-Lieutenant Governor of Vindhya Pradesh. But those days are gone.

We have advanced so much in opposite directions that it is difficult to retrace our steps. But it is high time that those who believe in the Khadi ideology should come forward and start some units where the Khadi philosophy can be fully implemented.

The fight for swaraj is over. But a tougher fight for Gram Raj is imminent in future. The fight we gave was non-violent. So also this new fight would be non-violent. This fight cannot be postponed. You, all brothers and sisters, would be the soldiers in it. Our weapons would be the spinning wheel and plough-share. For our battle we require neither bombs nor guns. We simply need implements fit for work.

**- Vinoba**



# A REVIEW OF RESEARCH ACTIVITIES

(By Dr. M. SADASHIVA RAO)

The Jamnalal Bajaj Central Research Institute for Village Industries, Wardha, under the Khadi and Village Industries Commission will be completing three years by 1st November, 1958. It is appropriate to review the research activities of the institute in this Annual Number of "Khadi Gramodyog".

The main object of research in industries may be described as improving the tools and techniques of production. However, this broad definition requires to be qualified in order to convey the exact nature of investigations in village industries at the Institute which differ in important respects from industrial research directed to the problems of large-scale industries or investigations in the individual applied sciences and technologies at the National Laboratories. The difference arises from the fact that village industries are small or "decentralised" industries in which industrial production and employment are dispersed or diffused over larger areas than in large scale or "centralised" industries where they tend to be concentrated. The concept of decentralised production is a valuable concept in the economic development of rural areas with scarcity of capital resources and surplus man-power distributed in small and isolated village communities.

## Two Characteristics

Decentralised industries have two important characteristics :

- (1) the physical scale of production is small, and
- (2) the tools and techniques of production are capital sparing.

The two characteristics ensure, in the case of each industry for the country as a whole, that total or aggregate employment is the maximum possible for a given quantum of total production. Large scale or centralised industries have exactly the opposite results on employment and investment. It is possible to visualise decentralised industries as being two dimensional, one of the dimensions being employment as measured in numbers and the other being economy of production as measured in monetary values.

In contrast, centralised industries are uni-dimensional since economy of production is the only dimension taken into consideration. It is necessary to point out that for a given set of tools and techniques capable of conferring a given productivity, as measured by production per person, employment and productivity are opposing or conflicting objectives. A pro-



posed improvement in the tools or techniques of a decentralised industry, arrived at through research or by adoption of improvements taken from centralised industries, should not improve economy of production at the expense of employment. Since improvements have to be achieved within the restriction or constraints of a small scale and low capital investment, the problems of research in the field of village industries are among the most difficult problems of industrial research. Improvement has as its objectives not only minimising competition, stabilising the industry and increasing the income of each of the persons employed, but also increasing employment.

### Three Criteria

The following three criteria are useful for deciding whether a proposed improvement in the tools or techniques or organisation of production improves a given village industry in regard to *both* employment and economy of production :

1. The scale of production must remain relatively small.
2. The capital-coefficient of employment or the capital to be invested on tools and techniques to provide employment for one person, must be relatively small.
3. The income-coefficient of capital, or the income from every rupee investment on the tools and techniques, must be relatively large.

The three criteria are *relative* criteria useful for deciding which of an alternative set of tools and techniques, the existing

and the proposed, are capable of advancing an industry on decentralised and economically stable lines. The first two criteria define the conditions for decentralization and the third defines the condition under which technological advantage has to be secured to minimise competition and stabilise the decentralised industry.

### Oilseed Crushing

The main problems of the oilseed crushing industry in the village are concerned with the improvement of the oil ghani. Expert Committees have pronounced that the Wardha oil ghani which is accepted as an improvement over traditional oil ghanis, should be improved further to narrow the gap in "percentage extraction efficiency" between it and the oil expeller. Research undertaken at the Institute had two objects not only to increase the percentage recovery of oil from given oil seeds, but also to increase the capacity to crush oilseeds, but also to increase the capacity to crush oilseeds per unit time which is of even greater importance for improving economy. Since the published data on the efficiency of the Wardha ghani are too few and highly discrepant, it was necessary to collect more reliable data by a statistical analysis of a very large number of observations. The data so collected and examined show several interesting features. The average figures of percentage by weight of oil extracted in the Wardha ghani are much higher than the few figures published in official reports. For example, the mean figures are 45 per cent for sesamum, 45 per cent for groundnut kernels and 32 per cent for linseed. The corre-



sponding average figures for a medium size (40 H. P.) Anderson oil expeller operating at Wardha are 47 per cent, 45 per cent and 37 per cent respectively. The percentage recovery of oil, or the oil extracted expressed as a percentage of oil contained in the seed, which is a more reliable and less variable criterion of the efficiency of oil extraction varies between 87 to 90 per cent for the Wardha Ghani. This figure may be compared to the corresponding published figures for the mechanical pressures technique and the solvent oil technique and representing the limits attainable: 96 per cent and over 99 per cent respectively. The most surprising feature of the above figures is not that there is a gap in efficiency as expressed by percentage recovery of oil, but that the gap is small considering the simple design of the oil ghani constructed in wood in the form of an *open* mortar-and-pestle compared to the complex construction of an oil expeller in the form of a *closed* press in which a hardened steel screw exerts enormous mechanical pressure upto 15 tons per square-inch on the oilseed inside a hardened steel cage. The process or principle of oilseed crushing in the oil ghani is, therefore, unique and must be investigated and fully understood before attempting rational improvements.

It has been assumed hitherto that the oil ghani is a simple oil press being an ancient prototype of the modern oil-press. In other words, it is assumed that the principle involved is mechanical pressure. This hypothesis is not tenable on

the basis of its extremely high efficiency in relation to simple structure and wooden or soft material of construction. Systematic investigations at the Institute showed that the principle involved is identical with the *Skipin* process developed in the U. S. S. R. In this principle of oil extraction from oilseeds, the oil in the crushed and mashed seed is displaced by water added during crushing. Adding of an empirical amount of hot water to the oilseeds in the ghani is an invariable traditional practice to which no satisfactory explanations have been put forward, though it is known that in the absence of water the ghani does not extract oil. The process has been rationally explained on the basis of a difference in the surface tension between oil and water. Water with a lower surface tension displaces the oil with a higher surface tension bound to the protein particles. The principle in the ghani is a little more complex, since it recovers 90 per cent of the oil instead of the 50 per cent achieved by the Russian large-scale practice.

### Surface Active Agents

Investigations at the institute showed that hydration of the seed protein and the consequent change in its physical chemistry may also be responsible. Investigations are in progress to find out if the process can be improved to obtain more recovery of oil. Some results on the use of "surface-active" agents provide one of the possible solutions to the problem. A surface-active agent is a compound which reduces the surface tension



of water. It was found that all such agents tested increase the percentage recovery of oil and reduce the time of extraction, thus supporting further the hypothesis of the Skipin process in the oil ghani. The most active agent is "Teepol", a cheap synthetic surface-active agent and detergent. Its effect is remarkable with non-edible oilseeds where its possible presence in the oil and oilcake does not reduce utility. In the case of the edible oilseeds the use of soaps (prepared from edible oils) has met with some success. The ideal surface-active agent for the latter has still to be found. The practical importance of this research is that the several thousands of oil ghanis existing in the country can be made more efficient in the percentage extraction of oil by the simple and inexpensive expedient of adding a small amount of an efficient surface-active agent. However, large field trials will be necessary to find out whether the resulting economic gain is significant.

### **The Muller Device**

The problem of increasing the capacity of the oil ghani has not received any attention upto now, though traditional oil ghanis with much larger capacities than the Wardha ghani exist in the south. The problem can be stated as follows: The Wardha oil ghani can take a maximum charge of 20 lbs. of oilseed and requires a large bullock weighing over 1,000 lbs. to haul the pestle. Enlarging the capacity will place the ghani beyond this capacity of a single bullock. Adding one more bullock will increase the capital cost without an equivalent economic advantage. The relative

small capacity of the ghani is due to the fact it is constructed in the form of a narrow mortar. Investigations were directed to find out if any other alternate form of mechanical device can take up a larger charge of oilseed without requiring a proportionately greater energy or power. After several trials it was found that an edge-runner or muller fulfils the requirements and extracts oil by the Skipin process. A muller (to use a shorter name) designed for oil extraction at the institute consists of one or pair of heavy rollers rotating on the edge at a slow speed on a sloping bedplate of mild steel around and close to the central point of attachment. The rollers ride on the charge of seed, crush it very rapidly and on adding water the oil is liberated to flow down the sloping bedplate to be collected through a channel. A muller designed to take a 20 lb. charge is light enough to be worked manually by hand by a single able bodied man. A larger muller capable of taking a charge of about 100 lbs. of oilseed is a new design appearing superficially like an oil ghani.

### **Its Advantages**

Whether its greatly improved economy is alone sufficient to warrant its widespread acceptance in the field is a question that cannot be answered without extended field trials. However, the following comparative figures will explain its economic and technological advantages over the mortar and pestle type of oil ghani as well as the oil expeller. The greatest competitor to the oil ghani today is not the oil mill in the large-scale sector again.



which, sufficient economic protection is available, but a small or 'baby' oil expeller in small industries sector. Such expellers have been made in the country and have been installed widely. These small expellers have successfully competed with the oil mills recently which fact may provide sufficient evidence to show that a small scale of production need not always be uneconomic. In the area surveyed by the author, Vidarbha, several oil mills have given up crushing groundnut and linseed and taken to cotton seed to cater to the Vanaspati industry. In Wardha town alone, there are twelve such expellers as against three oil mills. In the Seloo Community Development Block, the introduction of a single Daly oil expeller is reported to have caused several Wardha ghanis to close down. A small expeller costing Rs. 5,000 with a 10 H. P. motor and accessories can produce 32 lbs. of oil per hour. The capital coefficient of employment (see definition above) of the expeller is five times that of the ghani. The income coefficient of capital of the ghani is 1.25 times that of the expeller. The oil ghani answers the requirements, or criteria, of a decentralised industry as defined above more than the oil expeller. However, productivity, or production per man, with the expeller is four times that with the ghani. The odds are heavily against the ghani. The odds may be expected to go against the expeller if a muller type ghani costing about Rs. 1,200 can produce 30 to 40 lbs. of oil per hour. This is entirely within physical possibilities as shown by the above

investigations at the Institute. In such a ghani the capital coefficient will be about one-fourth of that of the "baby" expeller, while the income coefficient will have increased to about four times that of the expeller,

### **Cottage Soap**

There are two distinct groups of problems in the cottage soap industry based on non-edible or minor oils and fats. The first group of problems is related to methods of processing the oilseeds to recover the oils on which there is little previous information since the oilseeds has not been exploited commercially. The second group of problems are concerned with the preparation of soap on which a large amount of scientific and technological information is available. The following minor oilseeds are under complete investigations regarding problems of collection and storage, decortication, maturation of the oil in the kernels, pressing on the Wardha oil ghani, purification of the oils, blending of the oils for soap making, etc., Neem, Mohwa, Pisa Khakan, Kusum (*Schleicheria trijuga*) and Karanja. The investigations with neem seed will serve to illustrate the problems and important differences in the case of other seeds.

### **Decorticators**

After collection of neem seeds (or berries) there arise important questions of storage, maturation of oils in the seed, depulping, decortication and oil-pressing. Neem berries can be stored with or without depulping, the latter having certain advantages. An efficient depulper has been developed. A saw-tooth type of decorticator previously developed at Wardha



has been improved to decorticate neem as well as several other seeds. A disc type of decorticator has also been developed for some of the seeds. The decortication of mohwa seeds offers more difficulty than others and is under investigation. Khakan seeds can be decorticated with a stone chakki. A small hand decorticator has been developed for chironji (or charoli) nuts which is meant for the use of tribals in the forest areas. In all these cases the object has been to develop a capital-sparing decorticator which can be manufactured in the village. There is information on the time required for maturation of oil in the minor oilseeds on storage. Such knowledge is essential to crush the seeds when the oil yield is at the maximum. It has been the practice to store neem seeds from six to eight months before crushing. However, it has been found that the oil in the neem kernels matures fully in twelve weeks after which there is a spoilage. Similar investigations are on hand for other seeds also.

### Crushing In Ghani

Crushing of the kernels on the oil ghani also presents problems in the case of the minor oilseeds not encountered with edible oilseeds. Neem kernels can be pressed easily on the Wardha Ghani; but if the seeds have been stored too long the time of extraction is unduly prolonged and the recovery of oil is reduced. It has been found that the use of "Teepol" as a surface-active agent reduces the time and increases the yield. Pisa seeds cannot be satisfactorily crushed in the oil ghani due

to the fact that there is no cake-formation which is essential and the oil is solid at room temperatures. The use of a small amount of groundnut cake along with the seed promotes cake formation. The surface of the cake has to be heated with a lighted tapan to enable the oil to melt and flow out. The latter difficulty does not arise in the multiple type ghani which can be heated and maintained at any temperature up to 80°C. Khakan oil is also solid at room temperatures and requires heating during crushing. Khakan seeds, as they are collected, are of two types due to difference in maturity. One yields a yellow fat and the other a green fat with different properties. Methods have been found to separate the two types of seeds and process them in different ways, best suited

### Purification

The problems of purification of the several oils are on hand. Purification is essential since most of the soap prepared on the cottage scale is through the semi-boiled process which cannot remove impurities as well as the full-boiled process. A large number of blends of non-edible oils have been prepared without the use of coconut oil as source of lauric acid fats. These have properties which are in no way inferior to soaps prepared with a good percentage of coconut oil. An empirical method has been devised at the institute to compare detergent qualities of soap which is an extremely difficult problem. Appropriate soap making have also been chosen and installed in the Experimental Soap Unit of the Institute in accordance with the criteria of decentralised production standards.



in this article.

### Handmade Paper

Handmade paper making consists of a series of unit processes or unit operations, starting from the raw materials (cotton rags, hempen waste, jute waste or waste paper) and ending with the finished paper which may be highgrade or utility grade. The operations are identical in nature with the manufacturing operations in the paper mill except that machines and large chemical processing plants are used in the mill to recover cellulose from inferior sources such as wood, vegetable waste, grasses, etc. It is important to realise that if all these unit processes are rendered highly productive by developing or adopting appropriate machines taken from modern paper technology, the handmade paper industry will become capital-intensive and employment-sparing and be converted into a centralised industry. It is necessary, therefore, to investigate which of the unit processes or operations can be improved *selectively* to optimise economy of production as well as employment. The three criteria for decentralised production given above alone are not sufficient. The investigations at the institute for improving the different steps in the manufacture of handmade paper have followed this selective course which may be described as "sequential" improvement. The most important stage in manufacture is the beating of rags (or other cellulosic fibres) into paper pulp. The introduction of an efficient paper beater (Hollander) at this stage not only increases employment at the different stages *before* as well as *after* paper beating,

but also improves the quality of the paper. A second stage in sequential improvement is the operation of paper lifting. By the old hand lifting method there is a great variation in the weights and thickness of paper. A new vat devised at the Institute corrects this defect without reducing employment. A third stage in sequential improvement is in the choice of raw materials.

### High-Grade Paper

Handmade paper industry, as is well known, can produce the highest grade of papers. An important investigation completed at the Institute is the production of the highest grade paper from rags with a life of 500 years which are required for historical records. The handmade paper Industry can concentrate on highgrade papers only since the margin of profit is high. But employment cannot be expanded in the country as a whole as the demand for such paper is much less than for utility papers. Producing utility papers only is not a sound proposition since the paper has to be sold at much higher prices than equivalent mill made paper. An important question is how to solve the problem of increasing employment by expanding the industry as well ensuring that each paper centre is on the positive side of economy. The answer is to produce highgrade and utility grade papers in the right proportion. The determination of the right proportion is not a simple problem. The Institute has worked out a method by which resources in the form of raw materials, tools of production and skilled artisans can be allocated in the optimum manner so that



a handmade paper centre can function in the most effective manner by maximising economy of production as well as employment.

### **Village Pottery**

The problems of the village potter are quite different from the problems hitherto described. The raw materials for pottery manufacture are widely distributed. But the potter has no knowledge of the methods of utilising these materials to produce the best possible wares with the means of production at his disposal, namely, small fire-wood furnace and a potter's wheel. He can only produce fragile porous red earthenware which is in demand, but fetches low prices in the market. It has been suggested that he can have better potter's wheels and better furnaces. But these improvements will result in increasing the intensity of capital unless it is offset by an increase in scale. It will not solve the problem of better price for his ware. It has been suggested that the village potter should take to white or china ware which has a wider market. But for this purpose the raw materials (china clay, felspar and quartz) have to be transported. The best solution is to use, as far as possible, the raw materials available in his locality and produce those wares which, on account of their durability and high value fetch higher prices and produce greater demand. The investigations at the Institute have been concerned with the utilisation of red clays available everywhere but whose potential has not been exploited elsewhere than in localities such as the West Coast and the Gangetic basin where such clays are found in high grade purity to pro-

duce hard and durable red ware. Methods of fractionation and beneficiation have been worked out to produce from local inferior red clays durable and dense red ware. The methods are applicable to bricks, tiles and pipes. Domestic ware can also be produced. Methods of glazing the wares have also been developed to produce attractive white ware or coloured ware with a dense red body. In addition, the local ball clays have been used to develop earthenware articles. From the refractory clays, refractory bricks can be prepared by the potter to withstand the high temperature (not exceeding  $1,100^{\circ}\text{C}$ ) of his own furnaces so as to improve his own fuel economy. With the wider knowledge of local materials and the "know-how" to process them into better pottery ware, the village potter can make remarkable recovery from his low level economy at present.

### **Decentralised Spinning**

The problems of decentralised cottage spinning are in a different category to the problems reviewed above. The Institute has carried out considerable investigations on multiple-spindle spinning units for cottage use. Recently it has been occupied with improving the performance of the Ambar Charkha. Though a small 4-spindle unit, this charkha requires considerable expenditure of manual energy. Friction studies of its different mechanical components showed that the types of rope drives (or malas) used as well as the spindle system consume most of the energy. New types of malas presenting a smooth and smooth surface were developed to replace previous types of hard and ribbed



malas. The new malas cost no more than the previous types of malas and do not cause any wastage of energy by slippage or by undue tension. The malas can be run slack. Regarding the spindle system, it was found that the use of cotton string-bearings against which the umbrella-rib spindle revolves at high speed (7,000 to 9,000 R. P. M.) cause great friction. The substitution of nylon monofibres reduces the friction considerably. Charkhas with the two improvements, whose total cost does not exceed one rupee per charkha, are smooth and easy to operate since there is no wastage of energy in the form of friction. Such charkha is in constant use in the Institute have shown improvement in productivity not less than four times. The twist on the yarn is very uniform. More recently wooden bobbins have been developed to replace paper bobbins and reduce oscillations of the spindle. In contrast to spinning, the preparatory processes of cotton offer more difficult problems. The quality and uniformity of the yarn is largely dependent on the quality of the sliver or roving used. These problems are under investigation at present. All of these investigations have been carried out so as not to duplicate the work at ATIRA or at Sabarmati.

### **Bone And Glue**

In the village flaying industry the economic recovery and utilisation of bone is an important problem. The bone obtainable at flaying centres is usually digested in special pressure digestors to remove its nitrogenous fractions and to render the bone brittle. Digested bone is pounded into a meal and sold as manure. The nitrogenous fraction remains in the liquor

in the digester and is a valuable source of bone glue. But glue is not being recovered at present. To render the digester more economic, it is not only necessary to recover and market the glue, but also to find a more economic outlet for digested bone. It has been suggested that the use of the bone for cattle feeding as a source of calcium and phosphorus especially during lactation is a more economic outlet than as manure. For this purpose it is necessary to have a sterile bone meal free from organic matter and possibilities of contamination by bacteria. Methods of digesting bone in the presence of dilute alkali with or without steam pressure have been worked out at the institute. Fully sterile and bleached bone meal is obtained. Methods of preparing dicalcium phosphate from the bone meal of a purity required for animal feeding have also been worked out. Full details of preparing Mineral Feed Supplements from the sterile bone meal containing trace elements, using simple equipment, have also been developed. The method of calcining bone in a special down-draft kiln have been designed for preparing pure bone ash which has a market in the dentrifice and tooth paste industry. The tools and techniques required for recovering bone glue from the digester liquors have been investigated. The recovery of glue from hides and fleshing is also a project on hand.

The above represents a connected account of the more important research projects completed and on hand. Investigations have also been taken up in the handpounding, wool carding and spinning, manufacture of filter papers, fat-extraction thimbles, etc. It is hoped to review the results in another issue of this journal.



# INDUSTRIAL CO-OPERATIVES

( By M. S. Javadekar )

Organisation of cottage and village industries on co-operative basis has been accepted by the Government and is outlined in the Second Five Year Plan. Both as an instrument of production and of distribution, co-operation can play an important role in a country's economic development. In addition, it can be an instrument for introducing social justice because of its emphasis on self-help, democratic methods and decentralisation. With a view to taking steps in this direction, the Khadi and Village Industries Commission have set targets for formation of co-operative societies in each of the industries within its perview. The Commission has set a modest target of 160 co-operatives to be formed in Ambar Khadi industry during the remaining months of the current financial year. To expedite the preliminaries and to facilitate proper understanding of the task, the Commission has published model bye-laws to suit the requirements of three types of societies—spinners, weavers, and composite Spinner-weaver societies. A booklet containing full information that would be required by promoters is also published which, together with the bye-laws, give all information to promoters.

## A Co-operative Unit

To start with, the organisers and

promoters will select a specific village or a group of villages in an area. A good manager is first essential of a co-operative society and arrangements for securing a suitable person will have to be made in consultation with the neighbouring Khadi institutions and/or offices of State Board and the Commission. A society cannot start production work unless instructors and carpenters trained in Ambar Vidyalaya are available. The number of instructors and carpenters required will depend on the number of persons to be trained in spinning in that area. The requirement should be calculated at the rate of one instructor for every 40 spinner-trainees to be trained in a year. If the required number of instructors and carpenters are not readily available, they will have to select persons and send them for training at Ambar Vidyalayas. The duration of the training course is 9 months for instructors and 6 months for carpenters (mistries). The Commission pays the necessary stipends and tuition fees as grants to Ambar Vidyalayas.

## Training Facilities

A proposed society should collect applications from villagers who promise to learn spinning on Ambar Charkha by attending a training course for 3 months and, after training, agree to buy charkhas



and ply them at least 200 days in a year, producing a minimum of 4 hanks of yarn a day in the beginning. It is advisable to take some deposit from the trainees so that they may not leave the course in the middle. When the trainees complete the course, their deposits may be credited to their accounts against the price of the Charkha. Before starting the Ambar Shiksha Varg a society should make arrangements for getting charkhas and a suitable accommodation where the class could be conducted. The Commission gives three months' tuition fees in advance, at the rate of Rs. 15 per trainee per month. Out of this amount a society will be able to maintain the staff, pay the rent of the building and purchase the raw materials and certain implements required to run the Ambar Shiksha Vibhag. Similarly a stipend of Rs. 20 is being paid to a society to be paid to each spinner-trainee who completes the course. This amount of Rs. 20, or a portion of it, can be credited against the price payment of Charkha, if the trainee-spinner so desires.

To get the Charkhas, a society should apply to the Commission for hire-purchase loan which is given at Rs. 120 per Charkha set. A society can buy charkhas from the recognised Charkha manufacturing centres. Roughly, half the price of the Charkha is given as grant when the spinners have repaid out-standing loans and have produced 1,800 hanks. It is advisable that a society should insist on a production of at least 1,500 hanks during the first year. Larger production would create confidence among the spinners and would encourage them to produce more during

the next year. After completing the training, each spinner should take the Charkha home. It is necessary that a society has obtained new Charkhas for the next batch of students before one training course is complete. For that, even before the completion of the first course, additional hire purchase loan should be applied for.

### **Weaving**

A society should make arrangements for weaving of the yarn produced by it. A stipend of Rs. 30 per month for a maximum period of 3 months is provided for by the Commission for training handloom weavers not accustomed to the use of ambar yarn. A provision for salary grant is also made by the Commission for a weaver-instructor. If the weavers are in a sizable number, a grant upto a maximum of 6 months' salary of a weaver-instructor, will be paid to the society.

### **Follow-Up Service**

A society is expected to offer follow-up service to spinner who will ply charkhas in their homes. A regular supply of cotton needs to be assured to spinners and the yarn must also be purchased from them without delay. Normally, for every 300 charkhas a small service centre is necessary. The Commission gives grants to establish such a centre. It also gives a grant of Rs. 50 per month for a period of six months towards the salary of a follow-up worker. Further the Commission gives loan for the purchase and stocking of cotton. The requirement of loan for cotton will be at the rate of about 16 per cent of the value of Khadi. One lb.



of cotton will give about 16 hanks of yarn of 16 counts. The requirement of cotton should be intimated to the Commission and the necessary loan or cotton will be made available to a society.

### Financial Position

Thus, in brief, a society would be entitled to receive financial assistance from the Commission as stipends for training of instructors at the rate of Rs. 40 per month per person (Rs. 75 per month for the carpenter), hire-purchase loan at Rs. 120 per charkha to be paid two months in advance before the class starts, tuition fees at Rs. 45 per trainee and stipends at Rs. 20 per trainee course of 3 months for 30 students, initial working capital at Rs. 100 per charkha which can be increased in relation to further production, cotton and share capital loan and a manager's salary at Rs. 1,200 during the first year with a reduction by 25 per cent in the subsequent years.

### Composition

A society can thus become a full-fledged production and marketing centre by the end of the second year, with 100 spinner-member families and 40 weaver-member families. It is advisable to enrol sympathisers also as members who should be Khadi weavers and each of them should agree to buy at least twenty-five sq.yds. of Khadi from the society every year. They may be called consumer-members, some of whom will be able to help in organising the society and will serve as a liaison between the society and the public for marketing the Khadi. In

addition, other artisans and workers such as dyers, printers, instructors, carpenters and other employees of the society will also have to be admitted as members. It should be made clear to all members and specially to the spinners and weavers, that gradually they will have to become habitual Khadi weavers along with the members of their family. As for others, at least 12½ per cent of their wages may be paid in Khadi. Certain deduction will have to be made by the society from the wages earned by spinner and weaver for payment of instalments of the loans for share capital and purchase of Ambar Charkha sets and looms taken by them. The total of such deductions plus the portion of wages paid to spinners in kind should not, unless the members themselves so desire, exceed 20 per cent of the wages earned by them. On this basis, the financial position of a society in the first 3 years will be as shown in Appendix A.

### Marketing

Marketing is one of the most important problems of cottage industries. If it is not organised properly, it will force the industry to slow down or close down. Government is placing certain orders the purchase of Khadi, but that is now hardly 10 per cent of the total production and as the Ambar Charkha production increases, the Government purchases will be reduced proportionately. Moreover, Government orders are for Khadi conforming to the specifications laid down by it. Societies may not find it possible in the initial period to supply such Khadi. Therefore, self-help and



self-reliance would be the best way to market the Khadi produced by a society. In view of the increase in production of Khadi on account of the introduction of Ambar Charkha, marketing has to be taken upon a wide scale and on a decentralised basis, since marketing in cities has probably reached a saturation point.

The first step towards local marketing of Khadi is to encourage self-sufficiency of artisans. Services of other co-operative organisations such as agricultural credit and Multipurpose societies, agricultural purchase and sale societies, other artisan societies etc., as also, wherever possible, of village panchayats, school teachers, etc. should be utilised for propagation and marketing of Khadi in the village or in the area concerned. Consumer members should be of much help to a society in this regard.

Secondly it would be desirable to make a common cause with neighbouring Bhandars and or societies and other production units, exchanging the Khadi produced at the village with that of other villages or centres sharing new designs, varieties and qualities among one another. A centre producing ordinary cloth

would like to have towels, coating, shirting and saris produced at another centre. The exchange of Khadi produced in the village with that of the other villages will help the organisation to have different varieties in their Bhandars thus fulfilling the needs of different persons in the village.

### Administration

For administrative co-ordination and expeditious action, the Commission has prevailed upon the State Governments to make appointments of special Deputy Registrars / or Deputy Directors under the Registrar of Co-operative societies / or Director of Industries, to be solely in charge of village industries' Co-operatives sponsored by the Commission. The Commission has decided to meet the cost of this officer and his staff. In addition, co-operative organiser would be appointed and attached to State Boards and liaison officers in the Zonal offices of the Commission to help in co-ordination of the policies of the various agencies. The Commission has set up a special Directorate of Co-operation at its head-office which is guided by a Co-operative Advisory Committee constituted by the Commission.



## Appendix 'A'

## Extracts of income and Expenditure of the Society for the first three years

Items	First Year		Second Year		Third Year	
	Production Rs. 5000		Production Rs. 25,000 & retail sales of Rs. 10,000		Production Rs. 50,000 retail sales of Rs. 25,000	
	Income Rs.	Expendi- ture Rs.	Income Rs.	Expendi- ture Rs.	Income Rs.	Expendi- ture Rs.
1) Staff						
i. Manager Rs. 100-5-150	—	1,200	—	1,200	—	1,320
ii. Accountant Rs. 60-4-100	—	—	—	720	—	768
iii. Carpenter-cum-Spin- ning Instructor Rs. 75 consolidated	—	900	—	900	—	900
iv. Spinning Assistants Rs. 60-4-100	—	720	—	768	—	816
v. Spinning-sum7Weav- ing Assistant Rs. 60-4-100	—	720	—	768	—	816
vi. Salesman Rs. 60-4-100	—	—	—	720	—	763
2) Travelling Allowance	—	600	—	800	—	900
3) Rent	—	600	—	800	—	1,000
4) Stationery	—	400	—	500	—	600
5) Contingencies	—	400	—	500	—	500
6) Miscellaneous	—	260	—	400	—	650
7) Tuition fees	5,400	—	3,600	—	—	—
8) Establishment grant (Manager's salary)	1,200	—	900	—	600	—
9) 12½% margin on production	625	—	3,125	—	6,250	—
10) ½ anna subsidy on production	150	—	750	—	1,500	—
11) ½ anna subsidy on retail sales	—	—	300	—	750	—
12) Additional subsidy on production and or sales not exceeding Rs. 32,000	not taken into account	—	1,000	—	1,750	—
Total	7,375	5,800	9,675	8,136	10,100	9,038
Excess of income over expenditure	1,575		1,539		1,812	



# CO-OPERATIVES OF ARTISANS

(By ANTOINE ANTONI) \*

In April last, on the invitation of the Moroccan Government, Mr. Antoni Visited Morocco. At each town in which he stopped he gave a lecture. One of these which deals with the Cooperative organisation of artisans, is relevant to Indian conditions. It is, therefore, reproduced here.

It is self-evident that the change-over from a traditional economic system on a rural and artisanal basis to a modern system implies rapid industrialization. Heavy industry with the huge concentration of capital which it demands remains the sphere of private capitalism the State, or perhaps some form of mixed economy. For the moment, however, it is not a feasible proposition for the Cooperative Movement.

The processing industries on the other hand fall well within the co-operative scale, particularly in relation to the future of the traditional craftsman. Will he disappear as a result of modern methods of production? Or can he, on the contrary, adapt himself and in what way?

It is, of course, inconceivable to attempt to approach the age of mass production with out-of-date methods. Nevertheless, experience shows that mass production does not entirely meet the requirements of modern society. The last few years have seen the

advent in many countries of innumerable small enterprises and semi-craftsman work shops which are appendages of the big industries. Moreover, the growing public taste for unusual things and folk art has given a new lease of life to many dying crafts.

This tendency today has been helped by the widespread supply of electricity, by the internal combustion engine and the production of small electric tools. Tomorrow, doubtless, new sources of energy, handier and even less costly, will increase still further the dispersal of production points which in the 19th century were of necessity concentrated round the clumsy steam engine.

The artisan is not, therefore, doomed to inevitable disappearance, but he must make an effort to adapt himself, and it is in this effort to adapt himself that the Co-operative Movement can play a decisive part.

## Cooperation The Weapon

Let us now consider the aspects and potentialities of artisanal cooperation and the elements of a policy capable of promoting these two forms of production.

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Although certain trades may disappear, the majority will persist, but only if they adapt themselves to modern economic conditions and overcome difficulties both within their ranks and without.

Their internal weakness are inadequate means of production and lack of up-to-date methods and materials; stubborn attachment to out-of-date techniques and rejection of new ideas; excessive individualism and a total absence of commercial organisation. Moreover inadequate financial resources prevent both renewal of equipment and the formation of a capital fund essential for the maintenance of day to day working.

The external difficulties are the growth of industrial competition, and changing taste and ways of life causing certain craftsman-made products to go out of use. To overcome these the artisan must improve his equipment, his stock, his methods of production and his sales technique. This he cannot do, however, while he is still hampered by internal weaknesses.

To adapt himself to present day conditions, therefore the artisan must wage a double fight against himself and against unfavourable circumstances. In this fight his weapon is the Cooperative movement.

The artisans will make no progress unless they unite, and there is no better way of uniting than in a cooperative society. Each time the artisans find how hard it is to get stock at a fair price, to raise credit for equipment, to work to customer's requirements or to get information on such a new manu-

facturing process, they will realise the value of cooperative action. If they really wish to overcome their difficulties they must become cooperators.

### **Bringing The Artisan Up-To-Date**

Because he has to buy at retail rates, the individual artisan pays the highest prices for his materials. Nor can he buy to the best advantage nor choose the best moment, since he has no credit and no direct contact with the manufacturer. Moreover, he has not the resources to obtain up-to-date machinery and his workshop is usually too small to accommodate it. The formation of a cooperative society would enable the artisans to pool their resources. Collectively they could obtain credit for equipment, rural credit and government grants for much larger amounts than they could expect individually. Not only could they purchase machinery; by intensive production they could rapidly pay off the cost. Through the co-operative they could employ instructors to advise on the use of new materials, organise production and ensure a guaranteed standard of quality of workmanship. Modern methods of publicity and salesmanship, which are beyond the reach of the individual artisan would be available through the society, and regular recovery of debts would be assured.

### **Better Human Beings**

However, even with improved materials, the artisan will see his field of activity shrink progressively if he keeps to his old fashioned ways, but with the aid of the cooperative society technical developments offering new possibilities, and artists



to improve designs would be within his reach.

Finally, by the voluntary formation of such a collective group implying joint and equal responsibility for management which constitutes a valuable form of discipline, the artisans will increase their value as human beings. For the cooperative society is a training school in modern economic management.

The fundamental principles of cooperation are applicable to all societies whatever their particular line. The course of action will vary, however, according to whether the cooperatives in question work on traditional lines but with improved methods, or whether they are trying to bring their craftsmen into line with the requirements of modern industry.

### **An Extension Of Industry**

Maintenance and Installation work was formerly limited to the building trade, but today its scope has been greatly extended by the development of the internal combustion engine, the automobile, electricity, radio, television and electrical domestic appliances. Nevertheless, such work is also to a certain extent subject to the same limitations and drawbacks as those indicated in connection with the traditional worker. Technical training is usually inadequate and there is little or no guarantee for the public. This sector would however, offer a new line of business for cooperative societies.

There are in existence certain examples of artisans working as an extension of

industry. In the textile trade, for instance, spinning and dressing are done by machinery, but certain high quality fabrics are craftsman made. The same is the case with regard to leather of which the tanning is an industry, whereas saddlery, fine leather goods and high quality footwear are to a large extent the work of craftsmen.

In recent years, moreover, there is an increasing tendency by industrial organisations to entrust to sub-contractors the manufacture and finishing of certain parts of their products. Here also is an important opening for a cooperative group of skilled craftsmen.

### **Co-operative Union**

If the artisanal co-operatives continue to work as single units, however, they will sooner or later come up against the weaknesses and limitation which are characteristic of such organisations. The advantages of group activity seem no less evident for the co-operative society than for the individual artisan. Whether these services are commercial or technical or consist in accountancy and supervision they will function better and more cheaply if effected through unions of co-operative societies managed on the same principles as the societies themselves.

Here again co-operation is a multiplying factor, as is well demonstrated by the Provincial Weavers' Co-operative Society of Madras. Founded in 1938 as part of Gandhi's campaign for revival of hand-weaving, this society now comprises more than 350 member societies with about 60,000 weavers dispersed throughout Madras province. Although



in the beginning it was helped by a "Registrar" or Adviser appointed by the Government, it is now managed entirely by the members. It has its own funds and is no longer in need of the Government guarantees which enabled it to obtain loans from the banks in the early stages. It has a network of 19 ware-houses in urban districts and has under its direct management five dye works, the experimental factories and one workshop for painting on silk. The society employs thousands of craftsmen-weavers and artists to design new patterns. The primary societies are allowed to market half of their production and the other half is marketed through the provincial society. The work carried on in this way has revolutionised the existence of tens of thousands of families in the entire region.

### **Working Associates**

The study of this well-known example and of others similar in type if not in size shows that, having achieved a certain size and scope, the artisanal cooperatives must ultimately give place to a more highly developed type of organisation.

Artisanal cooperation pure and simple consists in a group of craftsmen who, although combining to procure certain economic advantages, retain ownership of their tools and workshops and the liberty to sell to clients of their own choosing. In our example, however, the weavers remit their entire production to the society, and moreover, they are going in increasing numbers to work in the factories and workshops of the cooperative, where they receive a wage instead of payment by

sales. Consequently, their position is becoming much more nearly allied to that of workers in a workers' productive co-operative rather than that of individual craftsmen.

Actually, the nature of the society changed from the moment the artisans agreed to carry on certain activities in a commonly owned workshop and with commonly owned tools. In the event of a large order having to be executed collectively, the last distinction between the artisanal cooperative and the workers' productive cooperative would disappear. Side by side with the technical evolution which is leading our group of craftsmen from a medieval system of production to a modern system, there is taking place a social evolution which is drawing them together as working associates. All that is lacking is a recognised title and judicial status. Inevitably these will follow through technical and economic requirements.

### **Human Aspirations**

Our artisanal team has thus been able to show how superior is production in the mutually owned organisation to that in the ancestral workshop. New types of goods have been produced which, although no longer of the nature of handicrafts, have a novel attraction of their own and are justified by results. In calling in industrial workers, technicians and even engineers, with a new outlook the artisans' horizon has broadened and passed almost imperceptibly into the sphere of industrial production. In such



circumstances the old regulations governing handicrafts would be a hindrance and quite out of keeping with the outlook of co-operators who have turned their backs on the traditional type of workshop.

What they want, and what is also the aim of the workers' productive society, is "to carry on their trade jointly in a mutually owned workshop."

What is a workers' productive cooperative society? It is a group of technicians and workmen, who together carry on an enterprise which is their common property and of which they share the fruits. Such an organisation provides the answer to two great human aspirations, namely to do the work of one's choice in the place of one's choice and to receive fair remuneration for it.

This is neither the time nor the place to recount the history of workers' productive co-operation. The important fact is that, although they came into being against a background of a cynical denigration, the workers' productive cooperatives today have achieved an enviable position in the productive capacity of a number of countries. They offer the only truly effective system of economic management by the workers themselves. It would be superfluous to stress the obvious impetus they can give to peace and social progress but we should draw attention to their potentialities in relation to economic education and human development which are so essential in any country aiming at one and the same time at

transforming its economy and training its future administrative teams.

### **Policy Of Industrial Cooperation**

Workers productive cooperation offers a magnificent school of management because it prepares technicians and workers to cope with managerial problems, and because it brings the administration and accountancy sectors into continuous contact with those who are in charge of production.

Workers' productive cooperation and artisanal cooperation arose spontaneously in certain countries at certain periods. Such spontaneous growth constitutes by far the most solid foundation, but the imperious demands of our epoch make it impossible to wait for such long periods of gestation. Nor can we consider an "imposed" cooperative movement, since that would be a contradiction in terms. Nevertheless, it is the duty of the public authorities to inspire and encourage a system which offers such obvious benefits. The plan of action must, of course, be adapted to conditions existing in the various countries. There are, however, certain general lines of action :

**1. Legislation :** Co-operative legislation must be as simple and unambiguous as possible. Constitution and registration of societies must be subject to precise but simple formalities involving no cost whatever nor requiring any special legal advice. Any abuse of the word "cooperative" must be subject to severe legal sanctions.

**2. Administration:** It is desirable to form a special team of "cooperative councillors." Regular supervision is advisable



and it would be useful for this to be in the hands of representatives specially qualified in cooperative practice. After a certain time, the advisory and supervisory functions should be delegated to cooperative federations having an adequate organisation.

3. **Taxation :** The system of fiscal preference does not appear to have given any good results whatever. On the other hand, cooperative taxation must be realistic and consistent with cooperative legislation. This means in practice that returns or distribution of " profits " to cooperative members must not be compared to distribution of dividends by limited companies; that frequent increases in capital which are highly commendable should not logically be taxed : that the reserves of co-operative societies which constitute a collectively owned and indivisible capital should not be subject to taxation like that of limited companies.

4. **Education :** The creation of one or more co-operative training centres is desirable as education in co-operation is just as vital as technical instruction. A well-run co-operative must undertake to organise apprenticeships for its members, to accept apprentices from other societies or from public or private undertakings and to devote a part of its surplus to financing educational activities.

5. **Social :** Rigorous adherence to social legislation is even more essential in a co-operative society than in any other form of enterprise. The co-operative should undertake to create and to finance as far as its circumstances permit mutual aid and pensions institutions, both on its

own account and jointly with other societies.

6. **Economic :** The allocation of a certain proportion of orders from Government of Public Utility organisations to industrial co-operatives has shown excellent results for both the cooperatives and the Public Utilities concerned.

Those large public and private undertakings which receive Government concessions or financial aid should be under the obligation to entrust the orders for accessories, installation and maintenance to industrial co-operatives formed wherever possible for this express purpose.

A Cooperative quality label should be instituted.

7. **Finance :** State aid can take two forms : Bank guarantees on behalf of cooperatives; and direct financial and by means of specially created organisations. The former is preferable for short-term loans or agricultural credits; the latter for long-term loans or investment purposes.

On the whole, subsidies are not beneficial to cooperatives, but, on the other hand, loans at reasonable interest and subject to precise conditions as to use and repayment are a fundamental necessity. The Cooperative Credit Banks should therefore, be very liberal in granting loans while maintaining strict supervision and control over the expenditure of monies advanced.

Together with high quality personnel the organisation of credit for industrial co-operatives, rapid decisions, the minimum of formalities and supervision of the employment of funds by the co-operative constitute the fundamental basis of success.



of any Cooperative Movement, but more particularly of the workers productive societies.

In exchange for government aid the cooperative should be asked to exercise rigorous financial discipline by carefully controlling their general expenses, being on their guard against excessively heavy commitments and allocating a substantial portion of the surplus (at least 25 per cent in the initial stages) to reserve. These would, of course, constitute ideal conditions which it rests with the cooperators to carry out. "Heaven helps him who helps himself" remains an

excellent cooperative maxim.

Love of work, perseverance, honesty and economy, the spirit of solidarity and mutual aid, initiative, discipline and courage all these cooperative attributes constitute an invisible but valuable asset. Given these fundamental qualities, the experience, the administrative and technical knowledge will come of themselves and will continue to increase. But from the very outset the members must devote all their moral, intellectual and physical resources to their cooperative society.

From: *Review of International Cooperation* (July 1958)

My own view which is essentially that of the decentralists, is that, so long as the results of pure science are applied for the purpose of making our system of mass producing and mass distributing industry more expensively elaborate and more highly specialised there can be nothing but ever greater centralisation of power in ever fewer hands. And the corollary of this centralisation of economic and political power is progressive loss by the masses of their civil liberties, their personal independence and their opportunities for self-government. But here we must note that there is nothing in results of disinterested scientific research which makes it inevitable that they should be applied for the benefit of centralised finance, industry and government. If inventors and technicians so chose they could just as well apply the results of pure science for the purpose of increasing the economic self-sufficiency and consequently the political independence of small owners, working either on their own or in co-operative groups, concerned not with mass distribution, but with subsistence and the supply of a local market. The sabbath was made for man, not man for the sabbath; and the same is true of applied science.

— Aldous Huxley



# WORK IN GRAMDAN VILLAGE

( By : K. VAIDYANATHAN )

It was the 18th April, 1951. Vinobaji was sitting under the cool shade of a pipal tree on the bank of the Tank at Ponchampalli. The summer heat of Deccan was just beginning to abate. Only a few days before, the village was a citadel of the Communists in Telangana. It had witnessed the bloody uprising of those days. Vinobaji was trekking through those troubled areas to speak to the masses the message of love and to understand the cause of the disturbances.

He had already learned that the problems of poverty and land were the two root causes for the troubles. Poverty could not be eradicated and a new era of peace and plenty ushered in till the villages hum with activity and the decaying home and village industries are once again made to occupy their proud position. How can the land hunger of the poor labouring agricultural peasants be appeased? How can the slow process of the transfer of ownership of the land from the agricultural peasants to the monied leisured aristocracy be ended? Is that possible only through the violent appropriation by the poor as was being attempted then in Talangana? Or is there an alternative non-violent peaceful Gandhian way?

The Harijans of Pochampally asked

Vinobaji to use his good office to get them about 75 acres of land on which they can cultivate and lead a simple peaceful life. Vinobaji could not give an affirmative answer just then, from amongst the crowd which had assembled for the evening prayer, stood up Shri Vedere Ramchandra Reddy, a rich land-lord of the village had voluntarily declared his intention to donate 100 acres of his patta lands provided the Harijans would cultivate them and lead a happy and peaceful life.

The spark was enough to light the fire of quest in Vinobaji. The Great Way, to solve the knotty problem was found. Thus was born the Bhoodan Ganga. Vinobaji marched on expounding his message of love, to share with all what one had for the common good of all. On he went asking the 'Haves' to part with a portion of their lands for the 'Have-nots'. Every day brought in more acreage into the Bhoodan Ganga. The Bhoodan Ganga wended its way majestically through the moorum and chilka soils of Telangana to the black cotton rain fed tracts of Nag Vidharba and on to the rich alluvian Gangetic plains of Uttar Pradesh and Bihar.

The Bhoodan movement brought in its wake, many tributaries, rich with noble ideas like the Sadhan Dan, Koopa



Dan, Sampatti Dan, Shram Dan, Budhi Dan, etc. Within three years the mighty Ganga flowed on to enrich and irrigate whole villages. No longer was it intended to take in a few plots of land from one to be given to many. This was only the beginning. What was required was a way of life which would bring about mutual love and understanding. Now whole villages were being donated. In this there was no giver and no receiver. The whole village became the common property of all people of the village, for them to labour, to produce, to share and enjoy the fruits of their cooperative and common efforts. Thus, what was but a small land gift of only a 100 acres at Pochampalli, has grown into a sanctified movement of love.

The country was watching with interest the growth of the movement. Even the sceptic began to concede the divine instinct in man and the potentiality of the movement to bring about a new socio-economic order. The National Leaders met at Yelwal on 20-9-57 and unanimously offered their co-operation and support to the movement. The Prime Minister of India said that the Gramdan movement had come to stay.

The Government of India had constituted the Khadi and Village Industries Commission which believed that the prosperity of the villages could be achieved only through the development of villages industries and village self-sufficiency in primary needs. Hence, on 14th August, 1957, the Commission decided to lend its support to the movement of

Gramdan and take active measures to implement its programmes in the Gramdan villages. A Section was created specially to organise work in Gramdan villages. This Section is known as "SWAVALAMBAN SECTION".

The Sarva Seva Sangh which has been guiding the Gramdan activities and also reconstruction work in the Gramdan villages, welcomed the timely decision of the Commission. In consultation with and approval of the prominent leaders connected with the Sarva Seva Sangh and the blessings of Vinobaji, the work was begun. The Commission has decided to provide facilities to institutions registered and engaged in constructive work in Gramdan villages and approved by the Akhila Bharat Sarva Seva Sangh or their accredited representatives, the State Sarvodaya Mandal or the Bhoodan Yagna Samitis, to implement the programmes of the Commission in the Gramdan villages.

The following are some of the salient features of its decisions :

1. Demands for financial assistance from institutions for implementation of the programmes in Gramdan villages will receive priority.

2. Suitable changes in the pattern of assistances for industries to suit the special conditions of Gramdan villages will be favourably considered.

3. To help institutions to do intensive work in Gramdan villages grants-in-aid will be given to employ the services of workers, as follows :

- (a) upto Rs. 200 per year, for a period



of 2 years for a Karyakarta to be in charge of an area with a population of 500 to 600.

- (b) upto Rs. 1,800 per year for a period of 5 years for a Gramasahayak to guide, supervise and assist the work of 5 or 6 Karyakartas and will be in charge of an area with a population of 2,500 to 3,000.

4. Training will be provided for both classes of workers and the full expenditure therefore will be borne by the Commission.

- (a) 2 months for a Karyakarta in a camp;
- (b) 12 months for a Gram Sahayak in a vidyalaya.

(It will be the responsibility of the Akhila Bharat Sarva Seva Sangh to give these workers the necessary ideological grounding.)

5. Rs. 500 per camp for enabling the Karyakartas, Gram sahayaks and all other parties interested in the reconstruction of a small group of Gramdan villages to come together once a year for joint discussions.

6. Rs. 4,000 for an enlarged conference at State Level for similar purposes and to assess the progress of work done, results

achieved and draw up the future programme.

The State Sarvodaya Mandals, the Bhoodan Workers and the large number of institutions interested in the movement have all responded very favourably to the proposals of the Commission. Two vidyalayas have already begun to function to train Gram Sahayaks; one, at the Kora Kendra, Shimpavli, (Borivli) and the other, at the Shram Bharati, Jamoe (Bihar) and 128 candidates have been admitted in both the vidyalayas. They have been drawn from Kerala, Tamil Nad, Andhra, Gujarat, Rajasthan, Uttar Pradesh, Madhya Pradesh, Bengal and Assam.

The Training Committee of Commission has carefully considered the needs of the Gramdan villages and drawn up a comprehensive syllabus for training with emphasis on Chadi and village industries. Regional centres for training may be organised so that the Gramsahayaks may be taught in their mother tongue or the regional language. Gram Sabhas are being formed in all villages and they will soon choose the Karyakartas. When this is done, arrangements will be made to conduct camps to train them.

In olden days, when disturbed conditions prevailed in the country, our ancestors used to perform Yajnas. I also wanted to perform a Yajna, so I have started experimenting this Bhoodan. I have asked many persons to donate lands. Everyone should take part in this Yajna which is in the interest of the upliftment of the people. Just as we give our share to the Yajna, so also we should donate land to the landless poor.

**- Vinoba**



# SYMPOSIUM ON NON-EDIBLE OILS AND SOAP

*The following articles in this symposium have been adapted from papers read by the authors at the recent conference of workers in the Non-edible Oils and Soap Industry.*

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## COMMERCIAL COLLECTION OF NON-EDIBLE OILSEEDS

( By KUMARI HARVATTE )

Many of us know that we have not come across any large scale collection on a commercial basis of non-edible oil seeds. Perhaps, this is not done. For this there can be only two main reasons : either the operations of collection are to be carried out on a scattered and wide area compared to the quantity of seed obtainable, which makes efficient management impossible, or the demand for these seeds has not come from the sector of Industry which will require a fixed quantity of seed per year and will be prepared to have it at all costs. Here the utility of the seed, whether it is indispensable, comes in. Both the causes play their part. However, the conditions in certain areas are now undergoing a change due to the Khadi Commission's encouragement for collection of these oilseeds. Such areas will have to be dealt with separately.

### **Agriculture, Crops and Finance :**

The formation of a trade organisation

in agriculture is usually comparable to a pyramid in the sense that the bottom rung is made up of petty producers and their distribution comes into the hands of a few at the top at a later stage. There can be no substantial difference in organisation for edible oilseeds which are agricultural produce and for non-edible ones which are to be procured from trees. Only, the processes involved before marketing will differ. Agricultural oilseeds are grown in farms as independent crops or are grown mixed with other crops. They are harvested, decorticated, etc., (except groundnut) on the farms without encumbering additional costs to the cultivator, as, in a number of cases, these form a subsidiary crop. Where these crops are grown independently, that is, because the cultivator is sure that his produce will find a ready market in the country or abroad. As far as employment is concerned, one will be surprised to find that in case of groundnut cultivation the cultivator is busy only for 3 to 4



weeks in a year. There will be some expenditure for seed, labour and, above all, risk bearing till the crop is matured and harvested.

### **Non Edible Trees And Finance**

Compared to this one can say that for the collector of non-edible oil-seeds the investment are made by nature which stand in the shape of fruit laden trees. He has to collect them when the seeds mature, clean them and dispose them off in the local market. His only investment will be in the transportation of seeds. When it is so easy, why is it that the villagers do not get the incentive, as in the case of agricultural crops. Not that these seeds are new to them; but they want a favourable response from the demand side. It is not that our people are very slow at catching new ideas. Even groundnut which has formed a part of our day to day requirement in the form of oil, was introduced in India only a century back. Collection of non-edible oilseeds is a seasonal operation which may last from 15 days to 2 months. In order to have a greater out-turn, the collector will have to work ceaselessly and benefit to the fullest extent. The seasonal nature again implies that there cannot be any marked number of persons who can be stamped as collectors. The area of operation will be determined by the existence of trees either in private areas or in Government areas. Sometimes, it becomes difficult to estimate the amount of seed the trees may yield and the organisation required for it due to the

scattered nature of these trees.

### **Feeding Areas To Assembling Markets :**

About collection in private areas, either the owners must be conscious of arranging their collection or the organisers or collectors must have knowledge of their existence. In Government owned parts of forests, one has to abide by the rules and regulations laid down by the State Forest Departments. A few details about this point will not be out of place.

#### **Levies:**

The seeds so far collected individually or, to some extent, commercially are Neem, Karanja, Mohwa and Undi, of which the first type of trees are found only in habituated areas, on road-side, parks, private compounds etc. Karanja is found both in roads and in forest. The last two, namely, Mohwa and Undi are found only in forest areas. The question of obtaining permission from Government arises only in case of forest grown trees. The rates levied by forest departments are not based on any economic considerations. In many cases their rate structure and system is quite out-dated. For example, in case of Mohwa, contracts are given on tender basis for the collection of a particular quantity only. It is another thing whether this fixation of quota has been done after assessing the quantity of seed that may be available in a particular area in a particular year. In some other instances, the forest department is thinking of increasing the rates because they found the demand for them has increased. So far there is no definite policy with regard to their levies,



In such instances, one cannot help saying that, whatever might have been the Forest Department's policy so far, now they must have a comprehensive and liberal outlook in such matters.

### **Specialisation :**

Now, turning to the trade organisation, the practices are the same though their application is relevant to a particular seed in a specific area, e. g., Mahwa in M. P., Karanja in Mysore, Undi in Kanara. Though found in many other parts of the country, the commercial pockets have been formed in fixed area only. Karanja pressing has developed due to its growing demand for the leather tanning Industry of Mysore and Madras States. With the steady demand, a number of even medium sized mills have devoted themselves to Karanja crushing the whole year round, besides indigenous ghanis. Nevertheless the collection organisation has not undergone any considerable changes.

### **Trade Organisation :**

The individual collectors form the first link in this trade organisation. They may either be working on a daily wage basis for a contractor, or collecting on their own initiative and then selling off the quantity either daily or once a week or so to the local merchant. In case the seed has to be exported, the merchant has arrangements with the *adatayas* or commission agents or agents of buyers. This is the third link. But this outside demand may or may not be regularly coming forth. A large proportion goes to village *teli*s in which case the oil will be

used locally or sent to nearby places to some extent. The price trends of these oilseeds would have thrown considerable light on the importance of these oilseeds and their demand. Unfortunately the price statistics have nowhere been maintained at the lower levels. One can get only the prices in the terminal markets, at which place the prices are influenced by external factors, like prices of other oil seeds, general price structures, Government's policy etc. These prices do not throw any light whether the changes are due to changes in supply or in cost of collection. The changes at the higher levels are rarely passed on to the collector so that his collecting activities are not guided by demand but the need for extra income to meet the collector's day to day expenses.

Another side of the encouragement given by the Khadi Commission through its soap centres. In this case, the supply and demand for oilseeds are stimulated simultaneously. The centres are the interested parties whose work cannot go on unless the oil seeds are procured and stored carefully every year. They can pay collectors for the quantity collected or purchased through some agent who has been given the contract. Here the destination and demand are certain. The wage for the collector is fixed at par with what a paid labourer can get at other agricultural operations per day or in a ratio related to the prices of the seed in the market. This wage will be quite different from that in the already existing collection practices in the sense that here labour has to be attracted from other jobs or by the



quantum of wages.

### Future Tendencies:

Every year the number of centres the Non-edible oils and Soap Industry has been increasing and these centres will play an important part in forming the future commercial organisation for the collection of these oilseeds in their individual capacity and through association. But this situation must change and a class of collectors formed, who will do their job every year efficiently. There will rise among them some leaders who will finance the collection and transportation operations. One cannot exactly say how this will evolve.

The sector from which the collections are likely to be financed as well as Forest Department's policy will

determine the type of organisation, to a very great extent. A sudden increase in demand for these oilseeds from the large scale private sector may bring forth a lot of investment in this sphere. The cleaning, storing and transporting operations which at present are done with the least possible expenditure on a small scale may be replaced by more efficient ones. The investments may come permanently through building of godowns near collecting places, appointments of agents, formation of mandis. These are only some of the changes that can be guessed. In the same way the Forest Department may give contracts for larger amounts to bigger contractors and so on. But this may come in after long time and it may bring in exploitation of labour and such other things.

## STANDARDISATION IN SOAP PRODUCTION ON VILLAGE SCALES

(By SHREE V. R. JOSHI)

The Non-edible Oils and Soap Industry would achieve success if our centres produce quality soaps which can stand competition in local village markets. The quality of the soaps can be standardised only if our centres are duty-conscious. It would be in the fitness of things if the centres, one and all, understand that the core of this Industry is the Seed Collection programme. It is essential that the collection of non-edible oilseeds available in various parts of the country is undertaken on extensive scale by the centres located in the respective areas. Again non-edible oils crushed in the

ghanis established by the centres are to be used in the preparation of soaps produced at the centres. Looking back at the progress achieved by the centres in Bombay State, a sorry state of affairs can be seen. A number of centres have failed to co-operate with the Commission's programme.

In order to supply Non-edible oils to those centres who may not be in a position to collect sufficient non-edible oilseeds due to their nonavailability in the region, the Commission may directly undertake the establishment of oil crushing centres in suitable areas. In Bombay



State such centres may be established at places shown below :-

No.	Seed	District	Approx. Place
1.	Neem	a-E.Khandesh b-Ahmednagar c-Sholapur d-Aurangabad	a-Umbarkheda b-Shergaon c-Barshi d-Vaijapur
2.	Mahua	a-W.Khandesh b-Panchmahals	a-Khandbara b-Devgad Baria
3.	Pisa	a-Ahmednagar b-N.Satara	a-Bhandardara b-Mahabaleshwar
4.	Karanja	a-Kolhapur	Panhala
5.	Undi	a-Ratnagiri	a-Malvan
6.	Khakan	a-Kaira	a-Nadiad

By such arrangements, a constant and regular supply of Nonedibile-oils will be made to all the centres and they would march a step forward in standardising the quality of soaps.

The standard in soaps can be achieved by our centres if they always keep the skilled labour and workers satisfied. How can this be done? Our centres must be modernised in all possible ways and for that a change in social climate within the industry itself is essential. The problem is by no means simple to solve. It involves an active participation by labour in the centres' management so far as it concerns this Industry. The vexed question of workers' participation is the management has been receiving attention since a long time. Everyone of us, who is sincerely working for the development of this

Industry, must be very clear in his mind that unless workers are made equal partners in the centres' management, the industry has no further prospects. If this does not happen, then Oil and Soap Industrial Co-operative have to be developed to the greatest possible extent. Workers may be appointed as Directors in the Boards of Directors. Thus an atmosphere of confidence can be created and a change in social climate within the industry itself can be brought about. A net-work of well-organised oil co-operatives will have to be developed if the undertaken scheme has to be made a success. Besides, the workers will be always kept satisfied by the authorities so that the technical personnel may devote all time at their disposal for the development of their centres and quality goods can be manufactured.

A systematic study of the Soap Markets should be done by the Supervisors when they visit various places. This would enable them to find out what quality of soap is popular in the local markets. This would in turn help this Industry in standardising soaps produced at our centres.

The Quality Control Committee appointed by the Khadi and Village industries Commission has to fix up some specifications for a standard washing soap. Each of the members of the Committee may undertake frequent tours and give on-the-spot instructions to the production centres as regards the preparation of standard quality soaps with non-edible oils available at the places. The technical staff of the Industry should again be trained for a



period of say one month to make themselves sure that they can produce standard soaps as per specifications with any non-edible oils.

It is true that standard quality soaps are difficult to be produced at our centres with the non-edible oils such as Neem, unless the centres are in the know of efficient manufacturing techniques. The

standard of the trained personnel coming out of the Khadi Commission's Soap training centres needs to be toned up. In order to improve the position, the training period of the supervisors may be extended to at least 6 months. Under graduates may be imparted only extensive practical knowledge in soap-making during the 4 months training period.

## PRODUCTION OF SOAP

(By S. B. SHARMA)

There are three main processes of preparing soap. The first one, Cold Process, is not a very effective and subtle process and fails to give a well saponified good quality soap. As such it cannot be adopted on an industrial scale. Out of the rest two, viz. Semi-Boiled and Full-Boiled Processes, the latter i. e. Full Boiled Processes involves a greater length of time and also requires a greater quantity of chemicals due to which the products by this process become costlier and hence this process cannot ordinarily suit those who want to bring down the production cost of soap to the minimum. Experience and close observations in the field of this industry have shown that the Semi Boiled Process serves the most suitable and befitting method to prepare soap at our level. The only drawback in this process which is apparently seen, is that the soap prepared out of it is not found to be so clear and improved in colour as that from the Full Boiled Process. This is due to the fact that here the constituent oils do not get wash-

ings for refining and a part of unsaponifiables and colouring matters remain present in the oil charge which afterwards becomes conspicuous in the soap mass. There is one another defect also in this process and it is the fact that the soap prepared out of this process retains glycerine in it which may, at times, cause rancidity to the soap on standing for longer periods. Keeping in view the magnitude of merits and qualities of this process which is beneficial for us, the above two defects have got to be remedied and the process be brought in common vogue to take advantage of its good qualities.

### Can Be Reduced

The possibilities of rancidity produced in the soap can be reduced to the minimum by using waxed wrappers. For *ameliorising* the colour of soap and removing the colouring matter, things are not so easy and modified, economical and efficient processes of refining the oils have got to be used. It has been found that salt and acid refining methods give



satisfactory results in the case of neem and Karanja oils. On giving two methodical washings with salt and water, the oils get rid of nearly 60 per cent impurities and after giving one washing more, can be used for preparing soap. For Mahua oil it is to be noted that if the seeds are crushed in the period between June to September, the oil does not require repeated washings and is found to be clear even before refining. One thing to be kept in mind while preparing soap on the Semi-Boiled Process is that such oils which possess a disagreeable pungent smell should not be used more than 25 per cent unless well deodourised, otherwise the bad odour of that oil will predominate in the soap and create a bad impression in the market. For Karanja oil it has been well examined that if more than 30 per cent of it is used in soap, the bad odour of Karanja becomes

marked in the soap and not only that, it also smells in the clothes washed out of the soap and does not go out even after the clothes have been dried. Thus, in this process, besides the oils being well refined, control has got to be kept on the percentage of constituent oils with respect to the odour and colour of the resulting soap. In view of the above, it can be summarised here that if a cheaper genuine pure soap has got to be produced on a village industry level, then Semi-Boiled process is the last. But the Semi-Boiled Process has got to be used then

- (1) Proper arrangements for refining the oils should be made,
- (2) The percentage of oils used has to be controlled to free the resultant finished soap from bad odours, and
- (5) The soap has to be preserved in waxed wrappers.

## PROBLEMS OF STANDARDISATION

( By Shri V. P. Nadkarni )

As first thought it seems that standardisation in our industry is quite a distant object to be achieved, because our product is an outcome of hundreds of different centres. But when we begin to think about it standardisation can be easily brought about in our case provided all the production centres work with one brain and also a sense of uniformity.

By standardisation I do not want to restrict ourselves to achieving a minimum standard in quality and quantity in conformity with specifications. I would suggest

that there should be a larger *Uniformity* and *Oneness* in our standardisation. By this I mean, not only the quantity and quality should come to a standard, but each and every aspect of our soap (or any other product) must be brought to a certain fixed *Uniformity* and *Oneness*. And therefore, I make three categories in the standardisation of our village soap. They are :

- 1) Standardisation of outer appearance.
- 2) Standardisation of quality and quantity of soap.



### 3) Standardisation in price structure.

By sticking to a standard and uniform outer appearance, we can know at once the area of circulation of our product.

A certain commodity gains tremendous popularity in the market only when it is seen by the prospective customers in large quantities and greater circulation. Customers prefer only one brand which is commonly popular. Now, as the circumstances stand, the non-edible oil soaps have as many different names as there are production centres and, therefore, it is difficult to acquaint them with large masses of customers. There is only one 'Tinopal' available in market. If we have hundreds of companies producing this chemical, nobody would know all the brands and consequently there would be greater competition. This is what exactly happens in the case of our soap. We have a thousand brands at thousand different places. This does not conduce to efficient marketing.

Standardisation or uniformity in outer appearance is not going to have any ill-effects on their different producers or their present market. The individuality can be retained to a certain extent and at the same time gain more market and popularity

### Quality And Quantity

(1) This will give assurance to people about the quality and uniformity of weight throughout India.

(2) The next obvious effect is more sale and more popularity. The customer definitely goes for a better quality always.

(3) By bringing about this standardisation we can prove that any non-edible oil

can be effectively used in soap making and best soap can be made.

(4) There would be wider scope for going in for specifications and their selection.

(5) If more sale is achieved, free movement of the product can be brought about without hampering the market of other products.

(6) Work of propaganda could be simplified with better effect.

### Price Structure

Though this aspect is not quite possible at this stage, efforts may lead us to have :

- 1) More market in rural areas.
- 2) Supremacy over all other brands.
- 3) Uniformity in profits of all centres which means stability for the Industry as a whole.

### Quality And Quantity

The burning question of our Industry at present is the Standardisation of quality. Addressing the seminar of the field staff of the Industry at Rajur, Shri J.G. Kane remarked that we should give up the idea that village soap is bound to be of bad quality due to the smaller scale of preparation. He also advised that the sentimental basis in whatever work we may undertake should be abolished. Primary use of washing soap is cleaning of cloth and obviously the cleaning property should be regarded as No.1 essential of any good soap. Prof. Kane said that the fatty acid composition is the main factor which contributes most towards cleaning property of soaps according to the quantity



of silicate to be added. We must now go a step forward and come to a conclusion about the quality of soap. Prof. Kane in his discussions told us that any good soap must have these three oils viz:

- 1) Nut Oil (Lauric acid)
- 2) Hard Oil (Stearic-Palmitic acid)
- 3) Soft Oil (Oleic acid).

Almost all non-edible oils are soft oils but we can get some hard oils too.

These oils can be put down as follows :

Mahuwa	- Soft	- 40.5	Oleic
Undi	- Soft	- 48	Oleic
Rayna	- Soft	- 57.5	Linoleic
Maroti	- Soft	- 48.7	Hydnocarpic
Karanja	- Soft	- 61.9	Oleic
Neem	- Hard	- 61.9	Oleic
Pisa	- Hard	- 90	Lauric
Khakhan	- Hard	- 47.2	Lauric
Dhua fat	- Hard	- 39.9	Stearic
Kokum	- Hard	- 52	Stearic

Khakhan oil has 25% lauric acid, 25% Myristic acid and 25% Stearic-palmitic acids and, therefore, it gives a perfect soap with 100% Khakhan oil. We are already using a nut oil in a limited quantity. By choosing the above or any other non-edible oils in proper manner each and every centre can be given a certain formula to which it must stick. This specific formula for each centre can be decided on a State-wise scale, i. e. for each State the formula for a certain standard quality can be decided on the basis of availability of oilseeds in that State. This has to be done by the Quality Control Committee by meeting the chemists of all the soap centres in

a particular State.

By this way we can achieve about 90 per cent standardisation on State level. And if this is once achieved, the next few years will give us ample experience in achieving a standard quality in all our soaps.

### Price Structure

Standardisation in price-structure of our soap is going to be a tough problem for our industry, because our soap centres are of three different grades and not of the grade of a minimum economic unit. Also in the standardisation of price, labour plays the greatest role. The availability of cheap labour, of course, should not arise in our case as the industry aims at giving reasonable wages and more employment. Even then the value of labour is not the same in all parts of India, And therefore, this aspect of standardisation is out of question at least for a few years within which we must bring about the following favourable conditions throughout the country:

1. Monopolising the non-edible oil seeds collection. By this we may be able to fix wages for seed collection in the case of different seeds.
5. Standardisation of wages at production centres at different levels of work.
3. And last but not the least, the evolution of a standard "Economic unit". After this stage we can even standardise the equipment of soap unit etc.



# THE VILLAGE OIL INDUSTRY

( BY : JHAVERBHAI PATEL )

Oil extraction is traditionally a village industry carried on in the countryside through ghanis found all over the country. The total number of such ghanis for the year 1956 is about 3,07,222 with a total crushing capacity of 20 lakh tons of oilseeds per annum. The ghani sector alone, till recent decades, was catering to the edible and non-edible oil requirements of the country. With the gradual development of milling and oil-consuming industries, the oil industry has largely drifted to urban areas. There are about 1034 registered oil mills operating in the country, apart from a large number of unregistered mills with a crushing capacity of about 40 lakh tons of oilseeds.

## Pushed Out

According to the Census of India, 1911, there were not less than 5,20,805 workers engaged in village oil industry as against only 9,745 engaged in oil mills. With the gradual drifting of the industry from ghanis to mills, the persons engaged in village oil industry went down as can be seen from the census for 1951 according to which only 1,84,588 persons were engaged in village oil industry as against 42,215 engaged in the mills. Employment in village oil industry has dwindled considerably with the fall in the

pressing of oil-seeds by ghanis, the oil mills have not been able to absorb all those unemployed telis, though the overall oil production by mills has increased.

Today the ghanis operate mainly for extraction of edible oils whereas mills meet the demands of both edible oils and industries. Considering the vast employment potential of the village oil industry, the Planning Commission has suggested that in the sphere of food processing industries further expansion of large scale industry should not be permitted except under certain conditions. The Plan also envisaged increased allocation of oilseeds for the ghani sector from 10 lakh tons in 1950-51 to 13.8 lakh tons in 1955-56. Considering that the increase in oilseeds production under the target fixed for the First Five Year Plan is only 6 lakh tons, the Plan of increased allocation of 3.8 lakh tons of oilseeds to the ghani sector suggests that the objective is to meet additional demand from the cottage sector.

## Question Of Health

As long as ghanis were catering to the

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\* This article forms one of the chapters of Shri Jhaṇerbhai Patel's book "The Village Oil Industry" which is being published by the Khadi & Village Industries Commission.



oil needs of the country. pure and fresh oil was available to the local population and oilcakes to the cattle. As oilcake which is an essential food stuff of high fat and protein value is lost for use as cattle feed, the work animals in the country are slowly deteriorating. As oilseeds are crushed in large quantities in mills, the residuary oilcake is sold in bulk for manurial purposes. This large scale mechanisation of oil industry has also resulted in the non-availability of fresh and pure oil in the country-side. Often oils that are available are adulterated by the numerous handling agencies in the trade. The time lag between production and consumption of mill oil through a long chain of distributors resulted in the release of free fatty acid which is harmful to human health.

### Neglect Of Industry

Again the gradual abandonment of the practice of consumers storing their own seeds and getting them crushed by ghanis has aggravated the problem of the ghanis. Under this self-sufficiency system of householder, oilmen had enough work locally. While the telis found enough remuneration their oilcake production was readily available for feeding cattle. As the villagers began to buy mill oil, ghani oil cake tended to be a scarce commodity for the cattle.

With the fall in the productions of oils by ghanis, the number of working ghanis became small and no new ghanis were installed. Even ghanis that required repairs due to wear and tear, were not attended to by oilmen as the profession was not remunerative. Thus the number of ghani carpenters engaged in the work of manufacture

and repairs of ghanis did not get any work and consequently they changed over to other professions. This led to paucity of ghani carpenters.

### The Handicaps

The ghani industry thus suffers from the following handicaps ;

1. Comparatively small production of the ghani sector because of the dwindling number of ghanis in the country.
2. Non-utilisation of the full capacity of the ghanis chiefly because of lack of capital with the farmers and the telis for stocking oilseeds at the time of harvest.
3. Difficulty in marketing of oil and oilcake due to competition of the mill sector.
4. Paucity of ghani carpenters due to shrinkage in demand for traditional equipment, And
5. Lack of organisation of oilmen without which no industry can flourish under present conditions, much less, village industries.

The programme of the Khadi and Village Industries Commission in regard to the development of the village oil industry, therefore, envisages measures to overcome these difficulties :

### 1. Raising Production

The small production of the ghani sector is due to the rapid decline in the number of operating ghanis. During the Second Five Year Plan, therefore, the Khadi



and Village Industries Commission proposes to introduce 50,000 Wardha ghanis. For the introduction of Wardha ghanis, the Commission offers the following assistance :

a) A grant of Rs. 150 per improved ghani or 50 per cent of the cost of the ghani whichever is lower and also an equal amount of loan interest free and repayable within 5 years.

b) Model centres for demonstrating the working of Wardha ghanis and the improved technique of oil pressing have been started in the various Districts with the help of financial assistance from the Commission.

c) It is generally found that oilmen are running the traditional ghanis in their small houses or in the open where work is possible only for part of the year. Even if oilmen take to Wardha ghanis, they may not be able to work these ghanis all the year round without constructing sheds for them. Hence funds for putting up sheds for Wardha ghanis are given to telis through registered Institutions and Cooperative Societies in the form of grant and loan at Rs. 250 each.

d) The Khadi Commission also helps with grants and loans Institutions or Cooperative Societies to take up the manufacture and supply of Wardha ghanis. Also there are State Workshops organised by the State Governments for supply of ghanis and parts. The carpenters trained by the Khadi Commission at the different training centres in the manufacture of Wardha ghanis and appoin-

ted as District carpenters in the various Districts to help the oilmen in the continuous running of the ghani by providing ready servicing facilities.

e) Oilmen are trained for a month in the improved technique of oil production on a stipend of Rs. 30 p. m.

Another direction in which it is proposed to raise the capacity of the ghani sector is to enable existing ghanis to work as near to their full capacity as possible. This is being attempted in two ways.

(i) Gram Sankalpa, and

(ii) stocking facilities.

(i) **Gram Sankalpa** : An attempt is being made to canvass regular customers for ghani oil in the villages and towns so that consumption is assured on which production may be based. This is through organisation of 'Parivar Sankalpa' or 'Gram Sankalpa' by which the family or the village takes a pledge that they will undertake to fulfil the requirements of these consumers in full with pure and fresh ghani oil. Because of assured market for ghani oil, the village ghanis which are now idle can be brought back to work and thus increase production.

ii) **Stocking Facilities** : Oilmen today do not find enough work for themselves as they do not have enough funds to stock oilseeds when the market rate is low. This is over by bringing the telis together into the co-operative fold by which they pool their resources. The Government of India gives loans for raising the Share Capital to the



extent of Rs. 87.50 for every Rs. 12.50 invested by the telis. The Government of India also gives loans for stocking oilseeds which helps these Societies to store oilseeds during the season when the market price is low and thus effectively compete with the oilmills. These two types of assistance from the Government will go a long way to increase production by the ghani sector. The field workers of village oil industry also canvass stocking of oilseeds by individuals at their homes to meet their annual requirements which assures oilmen regular supply of oilseeds. The Government Scheme of starting Warehousing Corporations throughout India may also be taken advantage of by the Co-operative Societies to expand their activities.

## II Lack Of Capital

Most of the existing ghanis do not work whole time, one reason of the ghanis working only part-time being the lack of capital to obtain a continuous supply of raw materials. Though oil seeds are produced in the villages, they are not available to oilmen in the villages after the season, as the farmers sell away their produce soon after harvest for ready money. Only a few can afford to wait for better prices, and fewer still can afford to stock oilseeds to meet even their own household needs. The seeds held by village merchants are not sold again locally to the villagers or oilmen as the village merchants generally act as middlemen of large oilmills situated in central places where seeds flow from all rural areas. It is because of this situation that a few ghanis

are able to ply in big cities and towns and other market places where oilmen can obtain seeds throughout the year, though at higher rates, while the village ghanis are lying idle for want of seeds.

Another important reason for the part time working of the ghani industry is that it is fundamentally an agro-industry connected closely with agriculture and as such ghanis are worked during off season by some farmer and farm labourers. The gram Sankalp movement will feed such ghanis with seeds and strengthen their economic position.

## The Problem

The problem mainly is one of retaining the seeds at the place of production and providing continuous supply. This problem can be efficiently solved by inducing the consumers to stock their own seeds and get them crushed on hire at local ghanis. Efforts should be made to revive this old custom and establish it firmly. 'Gram Sankalpa and Sankalpa' on the part of the consumers and a similar assurance on the part of every oilman of a regular supply of pure and fresh oil will go a long way towards reviving the industry. The village or the family may be asked to store their own requirements of oilseeds for the year or the village merchants may be persuaded to store seeds by giving an assurance that ghanis will be able to utilise the seeds that they stock by plying continuously and supplying the needs of the locality. Till such time as the consumers are able to stock oilseeds necessary for their use, stocking of oilseeds should be organised on co-operative basis.



Encouragement is given to oilmen to form co-operative societies by offer of loan towards share capital at  $87\frac{1}{2}$  per cent of the share value. This helps the oilmen to pool their resources and raise their borrowing capacity so that they may raise the amount required for stocking oilseeds from Central Bank or from Government at low rate of interest. Today the oilmen have to pay a high rate of interest on loan taken for purchase of oilseeds from money lenders etc. This loan is free of interest and is repayable after 5 years.

Apart from granting loan for raising share capital, cooperative societies are given for stocking oilseeds, interest free during the first year and repayable after 3 years at 3 per cent interest per annum.

### III. Problem of Marketing :

There is to-day a serious decline due to various factors in the production of ghani oil as well as its consumption. This is virtually a sort of vicious circle in the field of oil industry. On account of certain malpractices on the part of the telis, the consumers find reason to dispute the genuineness of the ghani oil and straight away go in for mill oil to a large extent. With the shrinkage in the consumption of ghani oil, the teli found his trade increasingly unremunerative and set about to cover losses by indulging in the malpractice of adulteration with mill oil.

#### Consumer Preference

In fact consumers have a genuine preference for pure ghani oil as indicated by the Oil seeds Crushing Enquiry Committee

in its report (vide para 12 Chapter IV). This is a favourable point for the ghani industry and if the telis adopt methods which go to strengthen this consumer preference for their product, there is no reason to doubt that the village oil industry can hold its own very soon. To break the existing vicious circle and to foster this consumer's preference, it is necessary that certain measures should be adopted by the telis on the one hand and the consumers on the other. The telis on their part should make some arrangement for the supply of ghani oil guaranteed as genuine. Such an arrangement can possibly be made through an organisation, preferably a co-operative one, where the telis themselves and probably some of the consumers may be members. Secondly, while the consumers may be encouraged to take *gram sankalpa* and *parivar sankalpa* to consume only ghani oil as indicated in the foregoing paragraphs, similar pledge should be taken by the telis also to sell fresh and unadulterated ghani oil and to discard malpractices which have been their bane during recent decades. A judicious combination of the producer's as well as consumer's interest can be effected by the adoption, by the entire village, of the self-sufficiency scheme for oil production and consumption where by several consumers, particularly farmers and the well-to-do families, stock oilseeds during the season and have them crushed at local ghanis as was done formerly. This system of local self-sufficiency can do away with the complicated mechanism of marketing and simplify the



process of ensuring pure and fresh edible oil for the consumers and regular employment to the producers.

#### **IV. Paucity Of Ghani Carpenters :**

Traditional ghanis need to be improved in their structure and crushing efficiency. As oilmen lost much of their trade, they were not interested in improving or even maintaining their equipment. Consequently ghani manufacture and servicing dwindled. The ordinary carpenters are ignorant of the technique of ghani making and servicing.

With the introduction of Wardha ghanis, ghani carpentry has become rather easy as all the parts of the ghanis are almost standardised. To train carpenters in the manufacture and repair of Wardha ghanis. Professional carpenters, preferably ghani carpenters, are trained at the various recognised training centres of the Khadi Commission for 3 months in the manufacture of improved ghanis on a stipend of Rs. 75 per month.

#### **V. Co-operative Organisation :**

This is an age of organisation rather

than of machinery. Anything can be done successfully and efficiently only through organisation. It has been observed that the organisational machinery available for the village oil industry is meagre and weak. What is required most to-day for the revival of Village oil Industry is an association of oilmen which can act as the co-ordinating body for the whole country and be in touch with the day to-day problems of the industry and finding solutions for the same. For the purpose of organising oilmen on co-operative basis, pooling their resources, helping them increase production and market their products, a four-tier structure based on co-operation is proposed.

As a result of the development programme as envisaged by the Khadi Commission, it is expected that fuller employment will be provided to 1,50,000 oilmen playing ordinary ghanis and more remunerative employment for those plying improved ghanis, besides a number of carpenters engaged in the manufacture and repair of improved ghanis.

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# PROBLEMS OF OUR GUR INDUSTRY

(By GAJANAN NAIK)

Palm Gur industry, in spite of its historic prevalence in India, has not developed and become as attractive as it should have, due to various problems arresting the progress of the Industry. The following may be enumerated as some of the major problems demanding attention of technologists, social workers and administrators.

**(a) Excise Bottleneck :** Unlike other village industries, the foremost handicap experienced by the Palm Gur Producer is the excise bottleneck. The producer is not free to obtain the raw material (Neera) from the Palm trees by even paying the price to the owners; and even if he possesses his own palm trees, he is not at liberty to tap and produce the requisite quantities of neera, except in West Bengal and certain parts of Kerala where Government Permission has to be previously obtained before the Palms can be exploited for the production of gur and other sweet products. It is not merely a formality to be observed. Rigid restrictions of different categories are imposed in the various States. A large number of enthusiastic producers are even denied the freedom to increasingly tap the trees. This serious handicap serves as a set-back to the expansion of the production activities. Mere technical and financial aid extended to the artisans cannot be

taken as the criteria for the normal growth of the Industry. The collection, transport, possession, and conversion of neera into various sweet products are subjected to unparalleled excise restrictions in the form of licence which the producer finds practically beyond his earning capacity. Consequently, many artisans have opted for other vocation, in spite of their inclination, due to the legal pressure they have to bear under the excise rules. These legal handicaps continue to fetter the artisans even after the Industry is included in the National Development Plans. The code of controlling rules and regulations demand radical and sympathetic revision.

**(b) Exorbitant Cost ;** The raw material in this Industry (neera) is not portable and transportable like oil seed, paddy, cotton etc. The Artisan has to depend entirely on local supplies and the demand and supply law exerts great influence on the cost. An age-old practice in the traditional palm gur producing areas is a great deterrent in respect of raw material cost. Fifty per cent of the neera yielded by each tree or the gur made therefrom has to be surrendered as rent of the tree to the owner. From the balance then the tapper has to take out his wage. This is prevalent in all the Southern States.



of Kerala, Mysore Madras, Andhra and, to a certain extent, in West Bengal. In the virgin areas consisting of the rest of the States, the problem of rent has become acute, especially in States where prohibition has not been introduced. High rent to the tune Rs. 11 per tree is charged as in parts of Bihar. Besides this heavy demand on the artisan from the owners of the source of raw material, he is subjected to further financial harassment by them by demanding the full payment by the rent in advance. As a result, the poor artisan has to minimise the number of trees he would have otherwise exploited due to this insistence. In some cases, the middlemen issue advances to the artisan on the condition of surrendering the finished product at unremunerative rates to be fixed by them.

**(c) Short Supply :** The Palm Gur artisan cannot get the raw material stocked and prosecute the industry all the year round. His supply is seasonal. He has to wind up and restart every year. Thus, the supply of raw material he can command even by bearing with all the excise and financial difficulties, becomes insufficient for the whole year. So he has to depend on other vocations in the off-season. The season, of course, differs according to the varieties of the palm. The climatic conditions and the traditional practice has given rise to extensive growth of some specific variety of palms in particular areas, e. g., Palmyras in Tamilnad, Date Palms in Central India, Sago Palms on the Western coast, Mixed plantations and development of early and late yielding varieties of the same kind of palm may ensue

supply of juice throughout the year.

**(d) Damaging Of Palms:** The yielding capacity of the palms cannot be fully taken advantage of by the artisans. the majority of whom are landless and as such possess no palms. A large number of palms are standing in the jungle practically unprotected. The leaves of these palms are cut down indiscriminately either for house-hold purposes like fuel or for utility articles like baskets, broom and for thatching material. Denuding of the leaves depreciates the qualitative and quantitative yield of neera. This phenomenon of denuding of palm leaves entirely from the tree is observed in the north where the date palm leaves are extensively used for feeding milch cattle. The tappers have to depend on these trees for obtaining the raw material.

**(e) Pilfering Of Raw Material:** The Jungle growth of the palms creates another knotty problem. The dropping of the neera from the trees and the collection of the neera on the top of the trees in earthen pots, offers temptation to thieves. The artisans have to suffer loss of their hard-earned neera even before it can be converted into finished product. Another nuisance in certain areas takes the form of neera being consumed by monkeys directly from the pots attached to the trees. The juice being left in the neera collecting pots throughout the day and night, the artisan has to prevent the loss and contamination of neera caused by various kinds of insects, flies, birds etc.

**(f) Rigidity Of Routine And Risks :** The artisans have to make individual efforts



to collect their daily quota of the raw material. The tapper has to rigidly observe the daily routine without any alternative, since the tapping technique has a natural rigidity. He has to climb each tree at least twice a day to collect neera. The supply of neera is not copious. The very climbing of the palms is physically exhausting. As a result, the younger generation is disinclined to adopt the tapping profession. The risk of falling from the tree also serves as a deterrent. Dwarfing of the palms or tapping at the lowest convenient portion of the palm has to be developed, besides introduction of some mechanical climbing methods.

**(g) Antiquated Tapping Processes :**

The age-old tapping methods prevailing in different parts of the country have too many variations which directly or indirectly become responsible, to a certain extent for the poor yield of neera obtained from the palms, in spite of favourable soil and climatic conditions and damage the date palms fatally. Standardisation of tapping tools and overhauling of the tapping process can contribute to the economic side of the industry. The supply of iron and steel at controlled rates is a pre-requisite for persuading the artisans to adopt the improved tools and apparatus.

**(h) Protection Of Raw Material :**

Neera is highly susceptible to deterioration. Lime which has been used for thousands of years to prevent fermentation in neera, is found still defective especially in respect of making gur and other products of standard quality. The preservative effect is also not foolproof.

The catering of neera in prohibition areas creates special problems. The universalisation of neera catering or even the production of gur and other sweet products from it becomes inoperative in the absence of a more reliable and effective preservative than lime, possessing the other indispensable qualities of lime such as easy availability, medicinally harmless, uncumbersome in handling etc. The treatment of neera pots by smoking, baking, lacquering, waxing etc., have not given satisfactory results.

The crockery and containers used in neera catering as beverage have to be standardised for hygienic considerations. The problem of transport and a storage of neera for the same purpose is to be solved by storage methods economically suitable for the trade.

**(i) Agronomical Treatment :** The palms of natural growth largely exploited for the supply of neera at present, if subjected to even nominal agronomical treatment by applying some quantities of manure or periodical irrigation, may yield larger quantities of neera. Appropriate methods of agronomical treatments to be developed on the lines of what has been done either for coconut or arecanut. Cheaper and more effective treatments like encouraging of aerial roots will have to be either evolved or introduced.

**(j) Tree Diseases etc:** The palm trees are susceptible to attack by diseases, worms rotends. The nuisance caused by the squatting of vultures on the palm trees is predominant in the vicinity of unhygienic tanneries etc. The problem can be tackled



by levying a compensatory cess on such unhygienic tanneries for the preventive measures to be adopted.

**(K) Growth Of Palm Trees:** The existing irregular nature of the palm growth, either too thick or too sparse, adversely affects the tapping capacity or the yield of neera. Planned plantation of palms is, therefore, the basic need.

Thus the door to the raw material opens with great difficulty for the artisan who is worried not only in merely obtaining the licence at the very start, but is further subjected to scathing supervision and inspection by various Departments throughout the season. After getting the licence also he has to overcome so many financial and natural obstructions for obtaining steady supply of the raw material.

### **Processing Of Neera**

The boiling paraphernalia is vogue in the different traditional palm gur localities is not scientific. Considerable loss of time and energy is involved. Indiscriminate introduction of modern implements cannot at the same time prove effective due to the limited local supplies of neera and also the boiling capacity of the limited local supplies of neera and also the boiling capacity of the artisans or their co-operatives. The diagnosis as well as the prescription for the overhaul of the implements and apparatus on scientific basis is fraught with working limitations. The balanced mixture of the mechanical advantages and the introduction potential of improved tools and apparatus has to be assessed. There is great scope for

chemical engineering and even the adoption of the vacuum, spray drier and like contrivances. Apart from the cost, the very supply of fuel is retarding the multiplication of production even in areas where skilled labour and the trees on easy terms can be had as in certain districts of Kerala, Mysore, Andhra and Bengal. The traditional practice is to solely depend on one kind of fuel which is available. Encouragement for adopting other kinds of fuel by evolving suitable combustion chambers etc., will have to be given. Even the harnessing of natural powers like solar heat, wind and electric energy etc., cannot be ruled out. The prejudice against cow-dung which is largely consumed for neera evaporation is baseless; but the present dependence for fuel on leaves of palms or the log-wood from the forests is, no doubt, detrimental to the industry. A search for all-round evaporating process is called for. In the mean while, supplies of available fuel at concessional rates or even free from State forests in case of wood and from mines in case of coal and elimination of the middlemen would ease the problems.

The production of quality gur, sugar, sugarcandy and other products depends on the clarification of neera which has not received sufficient attention of the large number of producers. The present quality of gur, sugar and candy as traditionally produced especially in South India is very poor and cannot stand competition. The colour, form and taste is repulsive, though it may command a very limited local market.



The influx of factory cane sugar and the absence of effective scientific methods in the rural areas where such production of palm gur exists has resulted in restricting the scope of the industry. The supply of necessary chemicals in the remotest villages would determine the future supplies of quality products obtained from neera. The methods of presentation of these products in the market bear paramount importance. The age-old practice of wrapping gur in hay, dry palm and plantain leaves or stocking in earthen vessels have inherent hygienic and transport handicaps.

Since the problems enumerated above are of varied nature, it is imperative that different institutions, organisations or Government departments connected with different problems will have to be approached to seek solution. The problems have accordingly been classified in the following manner to facilitate approach to the correct party.

### **1. Raw Material :**

1. Denudation of date palm leaves for-feeding cattle.
2. Indiscriminate felling of palm trees.
3. Reservation of trees from lands of Government Departments, Local Boards, Gram Panchayats etc. for palm Gur manufacture.
4. Theft of pots containing neera, monkey depredation, and vulture nuisance.
5. Irregular (Sparse or dense) growth of palms.

### **2. Ceramics :**

1. Breakage of Pots – evolving light, impervious and economic neera pots.
2. Economic lacquering of pots.

### **3 Applied Physics :**

1. Improvisation of mechanical contrivance to minimise exertions involved in climbing palm trees.

### **4. Engineering :**

1. Improvisation of labour-saving and efficient Centrifugal machine.
2. improvisation of efficient crystalliser.
3. Improvisation of mechanical contrivance for climbing palm trees.
4. Efficient equipments required for auxiliary industries.
5. Economic standardisation of neera cans, containers, storage vessels etc.

### **5. Chemistry :**

- 1, Neera clarification by economic and uncumbersome methods.
2. Arresting deterioration in colour, texture and hygroscopicity of gur.
3. Standardisation of the quality of of palm products,

### **6. Micro-Biology**

1. Preservation of neera, Palm Gur Sugar, Candy etc. Arresting bacteriological fermentation in neera by preservatives which would be fool-proof, cheap easily available and uncumbersome in handling.



## 7. Entemology :

1. Wastage of neera by insects, flies etc.
2. Infestation of neera by insects.

## 8. Agronomy

1. Augmentation of per tree yield through agronomical treatment to palms.
2. Augmentation of sucrose content through agronomical treatment to palms.
3. Systematic and planned plantation of palms.

## 9. Soil Chemistry :

1. Studies on the yield and characteristics of neera from trees in different regions in relation to respective soils.

## 10. Botany :

1. Dwarfing of palm trees.
2. Bottom tapping
3. Evolution of aerial roots.

## 11. Plant Pathology

1. Preventing and remedying of plant diseases.

## 12. Sugar Technology

1. Production of crystal sugar
2. Elimination of caramelisation of gur and sugar
3. Increased recovery of sugar
4. Improvement in quality of gur and sugar

## 5. Utilisation of by-products

## 13. Fuel Technology :

1. Possibility of utilising natural power in the manufacturing processes.
2. Development of more scientific and efficient furnace for economising fuel consumption.
3. Determination of easily available and economic heating agent.

## 14. Food Technology

1. Popularisation of beverages with neera as base.
2. Utilisation of palm gur and sugar for energy producing foods,

## 15. Therapy and Pharamacology :

1. Evaluation of therapeutic and pharmaceutical uses of palm gur, sugar, candy, for the manufacture of medicines by both Allopathic and Ayurvedic systems.

## 16. Nutrition :

1. Utilisation of neera, palm gur, sugar etc.. as supplementary diet for children.

## 17. Marketing :

1. Increased facilities for trading on railway premises, sea-ports, air-ports moving trains and steamers.
5. Absence of Central supplying Agency.
3. Reservation of export trade in Palm products to Co-operatives.
4. Marketable presentation of Palm Gur



and other palm products by economic and attractive packing.

5. Prevalence of defalcated weights and measures in the market.
6. Market fluctuation – stabilisation of prices.
7. Elimination of middlemen entrenched in the field of marketing.
8. Inadequate storage and transport facilities for Neera and Palm Gur.

### **18. Co-operation :**

1. Delay in registration of Co-operative Societies.
2. Slender share capital – limited borrowing capacity
3. Inadequacy of working Capital.
4. Introduction of Co-operative boiling.
5. Reorganisation of uneconomic Palm Gur Co-operative Organisations.
6. Liberal extension of Rural credit to Palm Gur Co-operative.

### **19. Administration ( Including Excise )**

1. Delay in issuing licences for tapping palms, transporting and sale of Neera and converting it into gur.
2. Absence of uniform excise policy throughout the country.
3. Introduction of power in productive processes (Policy).
4. Imposition of Excise levies on Palm trees and trading activities.
5. Exorbitant tree rent – juice sharing

system etc.

6. Common production programme in relation to cane gur, sugar and Khandsari.

### **20. Labour :**

1. Deflection of trained personnel to large-scale projects etc., on account of competitive wages offered.
2. Dearth of skilled personnel.
3. Declining of hereditary skilled labour.
4. Physical unsoundness of the tappers– due to mal-nutrition.

### **21. State Aid**

1. Scarcity of fuel supply of light fuel from State Forests, either free or at concessional rates.
2. Encouragement to Adivasis by allowing free use of palm trees and fuel.
3. Free allotment of Government land for colonisation of tappers.
4. Exemption of neera, Palm Gur and other palm products from the purview of sales tax, control etc.
5. State aid in the form of unrestricted movement of Palm Gur and other products by rail, road and waterways.
6. Need for protected markets-Reservation of spheres for cane and palm gur.
7. Sanctioning of long-term financial assistance.



**22. Social :**

1. Absence of total prohibition throughout the country.
2. Cultivation of taste.
3. Religious prejudices.
4. Prohibition of toy in prohibition belt areas.

**23. Socio-Economics :**

1. Fixation of minimum wages to tappers and allied workers.
2. Economic and demographic survey of tappers.
3. Off-season unemployment.

**24. Industrial Economics :**

1. Augmentation of tapping capacity of a tapper.
2. Scientific improvement in the tapping processes.
3. Economic utilisation of palm molasses.
4. Economic production of refined lime.
5. possibility of extracting oil from palm seeds ( except Coconut)

**25. Statistics :**

1. Absence of reliable statistical reporting arrangement at all levels.
2. Enumeration of trees, tappers and allied artisans.

Our work should proceed on the basis -(a) *Vichar-shasan* or peaceful conversion of people to our view by making them think about it ; and (b) *Kartritva Vibhajan* or distribution of work among individuals without creating an administrative bureaucracy.

*Vichar-shasan* means the readiness on our part to understand the other person's point of view and to explain ours to him. In no case shall we seek to impose our view on any one. We will rather insist that they accept it only after they are convinced of its correctness.....

The other instrument of our work is *Kartritva-Vibhajan* or the distribution of work among individuals. There should be no concentration of power to act and execute at any one point. Freedom from dependence on armed might can come only by following the policy which God has adopted in regard to creation .....Indeed he has so far removed Himself from the scene that some of us are led even to doubt his presence. In the same way we should strive to create a State which would not need to exercise its coercive authority. Then only will we be said to have a nonviolent State. So with this end in view we make the demand for investing the villages with the power to manage their own affairs so as to establish Gram-Raj.

- Vinoba



# PROMOTION OF SUGAR EXPORT

( By N. R. MALKANI )

The sugar industry has made rapid progress during the last decade. In 1953-54 the production of sugar was only 10.01 lakh tons, but it rose to 20.26 lakh tons in 1956-57 i. e. within a short period of only four years. In 1951, there were 158 sugar factories with a rated capacity of 15.4 lakh tons. In 1955-56, the number increased just to 160, but the rated capacity rose to 17.4 lakh tons and the actual production reached the figure of 18 lakh tons. At the rate of one ton of sugar produced from 10 tons of sugar cane, the sugar mills alone were consuming more than 18 million tons of sugar cane. In view of the changed conditions following decontrol the policy of "restricted development" was reviewed in 1955 and it was decided that the total capacity of the industry should be increased to 20 lakh tons. Licences were, therefore given to 43 new sugar factories and 42 existing units were substantially expanded. Since then considering the normal increase of population and the increased per capita consumption of sugar, the Planning Commission has further decided to raise the rated capacity of sugar production to 25 lakh tons and has permitted the licensing of 34 new sugar mills. It is highly probable that by 1961-62, the actual production of sugar will be the same as the installed capacity of 25 lakh tons, as against 10 lakh

tons in 1951-52.

## Consumption

This raises the question of consumption of sugar within the country. In India not only sugar, but *gud* and Khandsari are all used as sweetening agents. *Gud* is mostly consumed in rural areas and accounts for 60 per cent of total consumption; sugar is being increasingly consumed in villages, but accounts for only 35 per cent of total consumption. The balance of 5 per cent is accounted for by Khandsari. According to the Nutrition Advisory Committee, the standard for health requires the consumption of 45.6 lbs. per head per year (as 5 ozs. per day) and the Planning Commission worked for a standard of 69 lbs. per head in 1961-62. But the total consumption of all sweet agents was only 36 lbs. per head in 1955-56. If we are able to produce 25 lakh tons in 1961-62 and consume them too, we shall have reached the standard as fixed by the Nutrition Advisory Committee and increased per capita consumption by 25 per cent. (The per capita consumption of sugar is 93.5 lbs. in U. S. A., 108 lbs. in U.K.). But considering the rapid rise in prices of cereals and the low purchasing power of rural areas, it is highly probable that our total consumption of sugar, as of other agents, will hardly rise by 15 per cent even if production increases from 18 to 25 lakh



tons i.e. by 33 per cent. In this the experience of mill cloth production is likely to be repeated in sugar production.

### Export Promotion

This raises the question of disposal of surplus production, a surplus arising out of the inability of the consumer to increase his demand for sugar. The Government of India has now passed the "The Sugar Export promotion Act of 1958" and provided for the initial export of 50,000 tons of sugar to begin with. It is not improbable that by 1961-62, India may have a surplus of 2 lakh tons available for export. It is, however, interesting to note that as early as 1952-53 India imported 59,000 tons, to supplement its low production. Imports rose to 7,16,000 tons in 1953-54. But our indigenous production had rapidly increased to 18 lakh tons by 1955-56 and it was then that we actually exported 1,53,000 tons, mostly to our neighbours in the East Asia and West Asia, China, East Africa and Malaya between them took more than one lakh tons. It should, therefore, not be difficult to sell 50,000 tons i. e. one third that quantity to the same countries at a fair price.

### The Price Factor

Unfortunately sugar prices in the world at the moment are not fair, according to our estimates. The total world production of cane sugar has risen from 23.7 million tons in 1955-56 to 28 million tons in 1957-58. So also the world production of beet sugar has risen from about 15 million to 18 million tons during the same period. With a production of less than 2 million tons, world

prices are not at all determined by the Indian market and these world prices are much lower than those prevailing in India. While sugar is selling at Rs. 420 per ton abroad, it is approximately selling at Rs. 746 per ton in India (including excise and Cane Cess). In other words, while the esc—factory price of sugar is Rs. 35 per maund in India, we can only sell it at about Rs. 15 per maund abroad. Under free trade, the sugar trade of India would be badly mauled,

### Is It Worthwhile?

This raises further the question whether it is worthwhile exporting sugar for earning any foreign exchange. The sale of 50,000 tons abroad at Rs. 420 per ton (or Rs. 15 per maund) would earn us foreign exchange of a little more than Rs. 2 crores. But simultaneously, it would involve the country or its Government in a total loss of about Rs. 3 crores! Is our need for foreign exchange so acute that it must be procured at any cost? Would it be possible to raise the price of sugar by an anna or two per seer as an act of austerity, to make up for the loss on export? It is quite possible that such a rise in price would lead to a marked fall in consumption of sugar, which is already below the standard prescribed by the Nutrition Advisory Committee. Sugar is also a form of food, though not as important as cereals or pulses. Export of any food and that at a heavy loss at a time when we are importing 2 to 3 million tons of food, does not appear to be a proposition making much sense.

### India's Handicap

The food Minister in one of his speeches



stated that "there is considerable scope for export of sugar". It is probable that he is not only fully aware of the disparity of world and Indian prices of sugar, but that he is not unaware of the great handicaps of the Indian Sugar Industry. The average production of cane per acre is less than 12 tons in India, while the average production is 62 tons in Hawaii, 56 tons in Java, 20 tons in Mauritius. India has the lowest production per acre in the world and a very low one at that. The recovery of sucrose from cane is 9.73 per cent in India, but is 10.46 per cent in Hawaii, 11.49 per cent in Mauritius. The Indian factory has a sugar extraction season of 100 to 125 days, but the same extends to more than 200 days abroad. Worse still the location of sugar factories in India has proceeded in a haphazard way uptill now. Out of 160 sugar factories in existence at the end of the First Plan, 73 were in Uttar Pradesh and 30 in Bihar alone. The production of sugar cane per acre in these States is the lowest in India, the sucrose content is hardly 9 per cent and the factory season about 100 days. Conditions of production have during the last 3 years been deteriorating.

### Leeway To Make

In Bombay and Southern States the production of cane per acre is more than 13 tons, the sucrose content is 11 per cent and the factory season extends to over 7 months. It is fortunate that most of the new 43 sugar mills have been started in the South and 34 additional mills in the Second Plan will also be mostly in the South and on a co-operative basis.

But a great leeway has to be made up before this inherent initial handicap is overcome. Sugar in the South can both be manufactured under more favourable natural conditions and can be more easily exported to foreign countries. This will however, be a long term programme even if pursued with a clear and firm policy in the interests of the nation and not of any particular State or States. The scope for export appears to be extremely limited during the next few years.

### Gur-Khandsari

It has, however, been observed that about 70 per cent of sugar cane in U.P. and Bihar is being used for making *Gur* or chewing cane. *Gud* is much cheaper than sugar; it is also more nutritive and agreeable to consumers who have cultivated a taste for it. Produced under more sanitary methods and a better appreciation of its nutritive values, the consumption of *Gud* is likely to keep pace with the consumption of sugar. The export of sugar is bound to lead to some rise in the price of indigenous sugar and a slight shift in favour of *gud*. Exemption from excise duty and cane cess has already served to protect the *gud* industry from the ravages of the mill industry, specially in rural areas. The export of sugar will also serve the same purpose and any deficiency in sugar will probably be made up by increased production and supply of *gud*.

### Increasing Production

It is already observed that the production of Khandsari has been rapidly increasing. It is probable that production will



rise to about 3 lakh tons in 1957-58, while it was about 1 lakh tons in 1954-55. This increase is a sign of the growth of decentralised sugar industry, in rural areas. The prices of *gud* are generally considered to be liable to great fluctuations. The market for *gud* is not well-organised, more specially as *gud* does not keep long and storage facilities are utterly inadequate. When *gud* prices fall more and more *gud* is converted into Khandsari, which can be stored more easily and is almost a substitute for sugar. Khandsari can thus serve as a steadying influence on falling prices of *gud* and a curb on rising prices of sugar.

#### **Encourage It**

The present policy of promoting export of sugar must, therefore, see to it that Khandsari production makes up for the shorter supply of sugar and raises the

nutritive standard of consumers. This should be done by improving the process of Khandsari production so as to increase the percentage of sucrose recovery from 6 per cent to 7.5 per cent as has been done by the Indian Institute of Sugar Technology, Kanpur. It is also desirable that the vacuum pan process should be introduced for the manufacture of Khandsari to reduce the waste of extraction to the minimum. The increased consumption of Khandsari would then help the promotion of sugar export for earning more and more of foreign exchange. If the scope for export of sugar is to be substantially increased, then, to my mind, not only the culture and quality of the cane is to be upgraded, but Khandsari should help to release larger quantities of sugar for export.

"Gramdan is a struggle not merely against inequities in our socio-economic composition, but goes to the very root—the acquisitive tendencies which keep away the best in human life and dwarf its growth. It is a fundamental movement. It is making a significant impression upon the people, especially the lowliest of the low. What is more, it gives an opportunity to plan the village life from its very foundations on clean slate."

—U. N. Dhebar



# BEE - KEEPING AND BEE - KEEPERS

( BY : S. K. KALLAPUR )

The Khadi and Village Industries Commission is incurring expenditure for the development of the beekeeping Industry in the country. It was of the order of Rs. 1,27,000 in 1953-54, Rs. 3,88,000 in 1954-55, Rs. 7,18,000 in 1955-56, Rs. 9,72,000 in 1956-57 and Rs. 11,47,610 in 1957-58. The budget for 1958-59 is of the order of Rs. 12,00,000.

All this expenditure is incurred under the following 10 heads:

1. Area Offices
2. Substations
3. Bee Clubs
4. Model apiaries including experimental apiaries and Nurseries
5. Assistance to medium and big scale apiaries
6. Training of fieldmen and apiarists
7. Experiments and Research
8. Marketing Organisation
9. Central Coordination
10. Miscellaneous

Out of these items of expenditure, the second, namely, the substations carry away the biggest share, 51% in 1953-54, 43% in 1954-55, 76% in 1955-56 and 64% in 1956-57 and about 67% during 1957-58.

## Is It Justified

It is the object of this article to

consider whether so much expenditure over them is justified; whether this expenditure has brought any return in the shape of economic advancement of the country or of its people and to consider how long this volume of expenditure over them should continue, and further to consider the ways of bringing it down.

**Sub-Station :** A substation is a group of about 10 villages suitable for bee-keeping. In such a group, 10 or 20 villagers, preferably agriculturists, are encouraged to take to beekeeping as a subsidiary industry. Only such of the agriculturists as are having some spare time and are in need of a spare time industry and a subsidiary income are selected for undergoing training in beekeeping. A substation is under the charge of a junior fieldman who imparts instruction to the villagers in their own homes as a year's or two years' or three years' course. For this purpose he visits their homes which means their apiaries as often as necessary, but not less often than once in a week in the first year. The following is a list of his duties :

- i) organisation of beekeepers' co-operative societies for the area;
- ii) introduction of a minimum number of colonies in improved type of hives,



the minimum depending on the area selected and the number of colonies becoming available in any group of villages;

- iii) stocking and supplying appliances etc. and assisting in the marketing of the honey and the wax produced by the beekeepers;
- iv) imparting instruction to them in the science and the practice of beekeeping in their own homes
- v) carrying out such other functions as are necessary in the implementation of the scheme.

The location of a substation is intended to be changed once in 3 years or so to serve new villages after the industry has been put on a sound footing in the first group of villages. The scheme provides for an average of Rs. 2,280 for annual expenditure over a substation :

#### 1st Year

Salary and P.T.A. of junior field-man Rs. 60+Rs. 20 p.m.	960
Rent and contingencies Rs. 5+5 p. m.	120
Subsidy on hives @Rs. 10 each hive for 100 hives	1,000
Equipment	200
	<hr/> 2,280 <hr/>

Of this expenditure Rs. 1,200 the subsidy and the price of the equipment remain with the centre. The recurring expenditure of Rs. 1,080 needs to be accounted for. To this expenditure I might add a sum of Rs. 400 which is incurred over the salary. T. A. of an Apiarist, a Senior Fieldman and a Peon who were stationed at the area

office and the rent and other expenses over the area office.

**Area Office :** The average expenditure over an area office comes to Rs. 5,400 a year. But it looks after an average of 15 substations, 2 model apiaries, a few bee-clubs, a few medium and a few large scale apiaries, the training of junior fieldmen etc. I might also add to this a sum of Rs. 100 as the share of a sub-station on the expenditure incurred over the Central Co-ordination Office at Dharwar.

Thus total expenditure over a substation is of the order of Rs. 1,600.

#### Returns

The question is how this sum is returned by the scheme.

If the programme progresses according to the plan, an average of 20 Himalayan or 40 other Indian colonies should be hired every year in a substation and about 10 villagers should be trained for the beekeeping industry in it. Some honey would, of course be produced—about 100 lbs. in the first year about 300 lbs. in the second year and about 600 lbs. in the third year. Both the domesticated colonies and the training given to the villagers in the science have a value. The value of domesticated colonies varies from area to area. I estimate the value of a Himalayan colony at Rs. 25 and the others at Rs. 12-8-0 as an average of the price prevailing for the entire country. Next, I estimate the value of the training given to the villagers at Rs. 135 each. This is the amount that we spend for the training of a candidate for the junior fieldman's post. A villager becoming fully trained for the industry earns a living by it and becomes



able to instruct his neighbours for the profession. Thirdly, I estimate the value of the honey at Rs. 1-8-0 per lb. Thus a centre which reaches the target, namely. 20 Himalayan or 40 other colonies, 10 villagers trained for the industry and a production of 100, 300 and 600 lbs, of honey in the first, second and third years can be said to return Rs. 2,000 Rs. 2,300 and Rs. 2,750 respectively. From this viewpoint, what the substations have thus far returned exceeds by very much the amount spent for all the 10 items mentioned above.

How long should the part of the scheme that relates to substations go on? The preamble of the scheme requires that a substation should become self-sufficient within 3 years. It is only under the best of conditions that substations become self-supporting within 3 years. Ordinarily even at the end of 3 years, the services of an expert are not possible to be dispensed with. Beekeeping is not an industry for men or institutions impatient for quick results.

What do we achieve in the first year? Little more than this:

The demonstration to the villagers

- 1) That bees can be kept like their pets,
- 2) that it is possible to get honey from them without destroying them,
- 3) that such honey is pure, attractive and good, and fetches a remunerative price,
- 4) that the study of the science is recreative and instructive.
- 5) that a living can be assured to one

who might take to it with assiduity and perseverance in an area suitable for the industry.

- 6) that it fits well with agriculture and gives a subsidiary industry to the farmers in a suitable area,
7. that it enriches agriculture and horticultures,

### The Other Side

But there is another side to the picture. Beekeeping is a science and the science is not easy to learn. It requires years of patient study to attain even some degree of mastery over it. A thorough knowledge of the vegetation in the area where it is sought to be practised, its seasons, its environments, its weather, their influence over one another and the ability to forecast them are extremely essential to make the study complete. The industry is meant only for those who are not afraid of the sun, the cold, the rain, the mud etc. It calls for some manual labour, too, and a thorough knowledge of the life and habits of bees and some other insects.

The number of persons who start in the industry but leave it within a year or two being devoid of the patience to persevere in it, is big enough. Only a few stick on. But encouraged by the success of the perseverers, new people take the place of those who leave it. Such exits and entries are common in our substations or in any village during the first few years. As a rule the zeal of those who rush into it vanishes as fast as it manifests itself. The cool and the calculating who wait and watch from



distance as interested observers for a year or so then enter the field. They continue in the industry. They study it and contribute to the progress of the science. They profit by it. They are our hopes; on them we rely for the success of our labours.

A few of those who think of taking to the industry do not possess the means to make a start. A few do not think of proceeding except on a cautious scale even if they possess the means. Hives and implements do not become available in the right season. Some-times instructors do not become available. Sometimes financial assistance is late in coming. To add to all these disadvantages, we do not have at our disposal the required number of the right type of the personnel to be put in charge of the work. Most of the members of the staff have been recruited, trained up somehow within three months and put in charge of the work. In beekeeping experience counts for the most part. Money cannot buy the experience.

### Follow-Up Worker

Even when everything proceeds exactly as scheduled, the necessity to keep a man at Government's cost would continue for all time. Such a person would be required to attend to the following duties.

- (a) encouraging existing beekeepers to expand their apiaries,
- (b) encouraging new persons to take to the industry, and to impart instruction to them in the science of beekeeping.
- (c) to give new hopes to discouraged

beekeepers who might be thinking of retiring from the industry,

- (d) to carry on propaganda in favour of beekeeping and consumption of honey,
- (e) to attend to the supply of implements, including hives,
- (f) to attend to the marketing of the honey and negotiating purchase and sale of stock,
- (g) to carry the results of research and experiments to the doors of the beekeepers,
- (h) to take immediate action in the case of the outbreak of diseases,
- (i) to pass on the problems of beekeepers to the research stations,
- (j) to maintain a kind of liaison between beekeepers and their societies or institutions,
- (k) to collect statistical information, to submit progress reports.
- (l) to generally assist the progress of the industry.

I confess it would not be necessary to have an agent to attend to these duties for every substation. One might do for bigger areas. Even in advanced countries like England, France, Austria, Germany, Australia, U. S. A., they have such agents. They are maintained at the cost of their respective Governments. In some countries they are designated as agents: in some, supervisors: in some, instructors.

### In Other Countries

In Austria, they have in all 119 such inspectors—whole time servants of the



Government: this works out at the rate of one for every 250 sq. miles. In England, they have inspectors at the rate of one for 300 colonies. It seems they are part-time workers and are paid at some rate for every colony inspected by them or for every hour spent on the work. In Germany, they have instructors for every 20 beekeepers or so. They, too, are part-time servants. There are such workers in almost every advanced country.

As stated already, our work began in 1953-54 : it began with 35 substations. Their probation period ended in December, 1956. More than one year before the due date, the Commission was moved for a small grant of Rs. 25 p.m. to enable the substations becoming three years' old in 1956-57, to make their own arrangements. The substations are helped with the services of junior fieldman on the salary of Rs. 60+20 and a rent contingency of Rs. 5+5. The replacement of such a junior fieldman by an assistant of the type I moved for, brings down the expenses to 28 per cent. The relevant para of the expenditure proposals to the Government submitted by the Secretary of the erstwhile Board to the Deputy Secretary to the Government of India, Ministry of Production reads as follows :

**“Assistance To Self-Supporting Substations :** A few of the substations started in earlier years would have become almost self-supporting by the end of this year. The fieldman and the equipment now with them would then be transferred to new areas. It might then be necessary to give them equipment at subsidised cost, i. e.,

Rs. 100 (against equipment of Rs. 200 given to other substations) and the grant equal to Rs. 300 to maintain their own fieldmen (a junior fieldman in the substations is paid at Rs. 60 + 20 P. T. A. p. m). The grant would be gradually reduced.”..

**Bee Clubs:** Many ways can be pointed out how the work of the bee clubs should proceed; the institutions which were granted funds for the purpose were left free to bring about their own system of working, so that I get an opportunity to judge which out of the several methods or systems adopted is the best and to pick out the merits from all of them and evolve a system that would combine the good points leaving out the bad points.

In Coorg the institution responsible to carry out the programme has appointed a local beekeeper to assist the other beekeepers. He is paid a salary of Rs. 20 p. m. for part time work. In the Suklasputta area the workers are appointed for only 6 months in the year during which they are paid Rs. 60 p. m. In the other seasons the beekeepers themselves look after the colonies.

The work in the Kallupatti area (Koduvallur area office in Madras State) is proceeding in the same way as in the Coorg district with the only difference that the junior fieldmen in the villages near about the erstwhile substations visit it periodically to see if club worker is doing his duties properly.

The case of the Kanyakumari district (the Marthandam area office) where the Y. M. C. A is in charge of the work



entirely different. They had club workers from the beginning. They were doing honorary work. A sum of Rs. 300 per annum which we are now giving is a welcome help to the worker.

In the North Kanara district was introduced the practice of levying a contribution of 25 per cent to 33 per cent of the production of honey in the apiaries of beekeepers who needed help from fieldmen. The payment was made to the cooperative societies of the beekeepers who employed their own fieldmen on monthly salaries. It did not suffice for the payment of the salary in most cases. The practice is still in vogue in nearly all parts of the district.

A system like this, viz., of levying a contribution of 25 per cent or 33 per cent of the gross production for paying the salary of the fieldman works more satisfactorily in more fertile areas with a per-hive average of 20 lbs. From about 120 hives in a village the fieldman might get about Rs. 1,000 or at least Rs. 800.

In the Mahabaleshwar area of the Bombay State the authorities of the Bombay Village Industries Board who are in charge of the work, purchase the honey of the beekeepers under their care at a price of Rs. 1.40 or so per lb. They are able to sell it at prices varying from Rs. 2-8-0 to Rs. 6 a lb. They utilise the margin between the purchasing and selling prices for maintaining the fieldmen. They are able to get this high price at Mahabaleshwar itself during certain seasons. A practice like this suffers from two disadvantages; the public begin to think that the beekeepers are exploited by the agency;

secondly, the beekeepers are likely to become disloyal to it and sell their production to the consumers directly or sell to some other agency that offers to give to them a higher price. It encourages the birth of such agencies.

### Technical Guidance

This does not exhaust the list of remedies that can be introduced to assist beekeepers in getting technical guidance. Fieldmen might be appointed on a remuneration equal to about half the margin that marketing agencies retain over the honey which they handle. The present practice is to retain about 3 annas per lb. In a village or group of villages producing about 6,000 lbs. of honey, the fieldman might be given Rs. 600 a year by the agency itself out of its own profits. The beekeepers might contribute their share. If the Government contributes a small amount the total income of the fieldman becomes appreciable.

In all these systems, the fieldman and the beekeepers and the societies, too, stand to benefit more as the production per hive and the number of hives increase, provided, of course, sufficient nectar and pollen become available to them. So it is in the interests of the fieldman to bring about conditions for the harvesting of a big crop when the season for it comes.

The last-named case differs from the earlier-named ones in a very important point—in that it is a purely business proposition and the instructional and other aspects listed earlier are absent in it. Three other instances of how the beekeepers can be helped, and are helped in



some areas, might be mentioned. They are more or less cases analogous to leases.

In the first of them, beekeepers contract with experts for looking after their colonies during the period of the honey harvest in return for a third or a half share of the production of honey in them. The possession of the colonies is with their owner. They are quartered in his own home or garden. Since both the contractor and the beekeeper stand to gain by an increased production, both take great interest in the work.

In the second, the expert contracts with the beekeeper for the ownership of the entire production of honey from his colonies in return for an agreed sum of money which is payable in a lump sum in advance or at the end of the season or in instalments. The possession of the colonies is usually transferred to the lessee or the contractor who keeps them with him till the close of the season and then returns to the beekeepers.

In the third, the beekeepers owning a large number of colonies—more colonies than they can quarter in their own cottages or in one place quarter them in the cottages or gardens of others. These latter watch over the colonies in return for an agreed sum or a share of the income from the colonies. Although the colonies are kept in others' gardens or cottages, their ownership and possession continue with

the beekeepers who visit these out-apiaries once a week or so for the purposes of extracting the honey in them and for carrying on manipulations. Beekeepers interested in the migrating of their colonies during the honey flows usually do like this.

All the other systems and many more which I am not able to visualise at the present moment, have their own merits. They might be having some defects, too. One might be suitable for a certain area while another for another area. In the Himalayan regions, for instance, the beekeepers have practically no work in the cold season when it begins to snow. They need help for about 6 months and not for 12 months. In some regions they do not need any help, excepting in the swarming season.

The institutions in charge of the work have to consider which system would suit their areas best. On one point, however, I am definite. This industry is not meant for persons who are afraid of the sun and the cold, the rain and the wind, the mud and the stings of bees but think of sitting at ease inside their homes entrusting the work to servants. It is meant only the industrious who are acquainted with the science of beekeeping and who take delight in manual work. A little assistance become necessary, and it is for this that the beekeeping scheme and the Government should make provision.



# POTENTIALITIES OF HANDPOUNDING

( By *RAOJIBHAI N. PATEL* )

It is a well-known fact that India lives in villages which grow the necessary raw materials, namely, foodgrains, cotton, oilseeds, sugarcane, etc. There was a time when the processing and preparing the finished products from these raw materials were done in our villages. The villagers, both men and women, got employment in these village industries, and they had not to leave their homes for their livelihood.

As science advanced man developed machines with the result that a plethora of machines, big and small, has come into existence today for processing and manufacturing products which were formerly processed with hand in the village. Consequently the village crafts and Industries gradually declined and famished. Then began exodus of village-folk towards the cities in search of new jobs as their occupations were snatched away by the fast growing mills and factories. As a result of this the harmonious village life was shattered and the village economy withered away. The villages which were formerly self-sufficient in their requirements, no longer remained the centres of commerce and trade, and the flow of wealth which was formerly from cities of villages turned in the opposite direction. Thus began the economic exploitation of villages at the cost of the rapid growth of mechanised indus-

tries in the cities and towns of our country.

## Resources

Two types of resources, raw materials and manpower, are abundantly found in our villages. It is a pity that this vast manpower is lying idle to a considerable extent, whereas machines run by mechanical or electrical power are being used for the production of finished goods. This deplorable state of affairs has developed because we have begun to believe that the production can be raised only with the aid of machines.

Then the problem arises as to how to utilize the vast manpower which is made idle in the villages by the factories. The answer lies in the development of the cottage and village industries which have immense potentialities of employment. We are not opposed to the introduction of electricity in every home in a village and its use in cottage and village crafts. But what we desire is that it should not lead to exploitation of any kind. We find from the prevailing circumstances that we have not yet been able to produce so much electrical power so as to be able to supply it to every home in a village. Electrical power was supplied during the first five year Plan to nearly 7,000 villages only and it is expected to be extended to about another 12,000



villages by the end of the Second Five year plan, whereas the total number of villages in our country is nearly 5.6 lakhs. It is, therefore, apparent that we shall need many more Five Year Plans to provide every village with electrical power. Therefore, our planning should be based on the maximum utilisation of manpower.

### **Immense Possibilities**

Our village industries, namely, Khadi, village oil, handpounding of rice, cottage match, handmade paper and others which come under the schemes and programmes of the Khadi and Village Industries Commission, have immense possibilities and possess potentialities of giving gainful employment to lakhs of persons who are at present either unemployed or under-employed.

I would like to emphasise here the potentialities of the handpounding industry. India is chiefly a rice producing country. Nearly 7 crore acres of land is under paddy cultivation and about 4 crore tons of rice is produced annually. When there were no mills, big or small, in our country, the processing of paddy was done with the help of simple implements by the villagers. But with the coming of modern industry, rice mills also sprang up in our country. During the days of controls of foodgrains, the number of mills increased manifold. Consequently half the quantity of paddy which was so far processed by the handpounding sector, was taken over by the mills. The villagers, especially the women who produced rice by handpounding, were hit hard by the

encroachment of mills on their occupation and they were left with no alternative employment.

### **Nutritive Rice**

If the rice mills are either banned by law or boycotted by the people, the handpound industry has the potentiality of providing employment to nearly 25 to 30 lakhs of persons for a period of 6 months in a year, and nearly 60 to 70 crores of rupees can be disbursed as wages to those engaged in this village industry. The handpounding of paddy serves not only as a source of employment, but also makes available to the people nutritious rice having Vitamin B. The rice milled in machines looks snow white and attractive; but its nutritive contents are destroyed in the process of milling.

This village industry which helps in conserving and augmenting the supply of foodgrains, occupies an important place in our national economy especially when we are importing 20 lakhs tons of foodgrains from other countries. The handpounding industry can help the State in saving the scarce foreign exchange which is at present spent on the import of huge quantities of foodgrains. If polishing in the mills is restricted between 3 to 5 per cent, we can save nearly five and a half lakh tons of rice which at present goes as waste during the processes of polishing. This quantity of rice can be saved without any expenditure on the part of the Government. The handpounding industry has vast potentialities of providing employment to a large



number of educated persons in the management of production and sales and other subsidiary jobs.

### Employment

It is proved beyond doubt that Khadi and Village Industries can provide employ-

ment to a large section of both educated and uneducated population of India. The best solution for the deplorable conditions of unemployment and poverty prevailing in our country, especially in the countryside, lies in the development and propagation of our village industries and crafts.

It is extraordinary how the wheel has come full circle in the case of the Eastern European countries. They started with great emphasis on heavy industry, but suddenly found that, while heavy industry was necessary and important, they must have other bases for their economy, that is, the development of village industry and handicrafts. That is a lesson for us. We believe generally that the industrial progress of India will depend and must depend on the growth of heavy industry. There will be no industrial progress unless machines are made here, unless iron and steel are manufactured here. At the same time we have always to remember that unless we balance heavy industry with the growth of village industry, we shall produce an unbalanced structure which may crack up and fall to pieces. Therefore, the importance of village industry house-hold industry, cottage industry and small industry is very great. It is great from the employment point of view, of course; but it is also great from the point of view of balanced production. It is great from the point of view of producing consumer goods. In a static economy, some kind of balance can be achieved at the cost of poverty and the starvation of the people. But in the economy of a developing country, one has to take care at every step lest one step should unbalance some other, and create difficulties. We in this country have tried to lay stress on food production, on heavy industry and on cottage and village industry in a balanced way.

— Jawaharlal Nehru



# HANDPOUNDING OF PADDY INDUSTRY : NADIAD

( By B. K. PATEL )

In these days of Sputnik and Atomic Energy when one talks of the Handpounding Industry, it may sound strange. Still the Handpounding Industry and such other village industries have a very great bearing on our national economy. Our economy is by and large an agricultural economy. Agriculture in our country is a seasonal occupation which subjects our people to enforced idleness for 4 to 6 months in year. Our excessive dependence on agriculture is one of the most important reasons of our poverty. Our agriculturists and the landless labourers who depend on them form a very large part of our population. Their income is so meagre that they are hardly able to make both ends meet. Their standard of living is very low. When a great majority of our people are hit hard, others cannot escape the injury. Loss of purchasing power in the hands of so vast a majority would naturally exert its evil effects in the spheres of production and distribution. As a solution to all these problems, there is need to provide subsidiary occupation to our peasants and landless labourers and thus augment their meagre incomes. There is need to provide employment to those who are sitting idle for a considerable part of the year. Handpounding of Paddy Industry possesses large

potentialities of providing employment to unemployed and semi-employed. It has got a potentiality of providing seasonal employment to over 45 lakhs of people.

Rice is the most important staple food of a vast majority of our population. It forms 70 per cent of the diet of our people. For more than 60 per cent of our people, it is the only staple food. This important food item of ours contains starch, protein, calcium, phosphorus, iron fat and vitamins A and B which are very important for the maintenance of our health and body building. Milling of paddy in the rice mills results in the removal of large proportion of vitamins and other nutritional elements present in rice. When a large majority of our people, due to their extreme poverty, are not able to balance their diet by substituting other food items, allowing the paddy to be milled and thus leaving it deprived of whatever nutritional elements it contains would be a public crime. If the paddy is processed by hand it retains most of the nutritional and vitamin elements of the rice and thus helps in maintaining the health of our people. The industry has thus a special value also.

Apart from the above, rice recovery



in Hand pounding is about 3 per cent more and if the whole requirement of rice of our country is met by handpounding the increased yield which is estimated to be 5.6 lakhs tons would provide food to nearly 70 lakhs of people and will save our foreign exchange to a considerable extent. It would also ensure distribution of about Rs. 70 crores amongst handpounders.

Handpounding of Paddy may not be a lucrative occupation compared to modern standards, but it nevertheless adds to the family income anything between Rs. 30 and Rs. 90 per month, according to the wages prevalent in different States. It was a source of livelihood to the resourceless women and widows in villages.

Handpounding of Paddy Industry has thus a manifold value in the socio-economic reconstruction of our country. It provides seasonal and part-time occupation to landless labourers and widows and other women in the rural areas, it ensures nutritional food to our people, it gives more rice as compared to mills, it saves our foreign exchange which can be otherwise used for more productive purposes, it ensures distribution of wealth amongst the masses, it adds to the meagre income of farmers and landless labourers in the rural areas thus improving their standard of living and increasing their purchasing capacity which in turn create favourable condition for our consumer goods industries and thus opening avenues for further employment.

This industry is now hit hard by an increasing number of rice mills in the country. Rice mills are menacingly

increasing in the villages, throwing a number of people out of employment and uprooting this old industry. "Rural Employment" says the Planning Commission "has been affected directly by the growth of privately owned industry in the sphere of food processing. For example, in the paddy growing areas, rice pounding was always a substantial source of employment, both whole time and spare time for women. The recovery of rice from processing paddy by hand was also satisfactory. The introduction of rice mills of the huller type greatly diminished this employment and was also wasteful in various ways. It appears to us that in the interest of rural employment and to ensure better nutrition, the Government should now formulate a programme for replacing the huller types of mills by organised handpounding of Rice."

In the interest of the revival of Handpounding of Paddy Industry, the Government thought it worthwhile to intervene. The Rice Milling Committee was appointed by the Government to look into the conditions prevailing in the country and put forward their suggestions. On the basis of the recommendations of this committee and the Second Five Year Plan Village and Small Scale Industries Committee, recently the Rice milling Industry (Regulation) Bill has been passed by both houses of Parliament.

If we got into the details of the Act we feel that the Act is a half-hearted approach to the problem and not a full approach. It was necessary in the interest of the industry to eliminate the huller and sheller type mills gradually, if not at once. The Act provides for a ban on expansion of mills,



but nothing concrete is done regarding the elimination of the existing mills (particularly hullers) which are spread out in great numbers in many parts of our country. Even regarding the setting up of new mills the Act does not close the door, and if the Government is not very alert, it is likely that new mills might come by the back-door. There is no specific provision for ban on polishing of rice in the Act. This particular aspect has a great value. One of the reasons advanced for justifying encouragement of the Handpounding industry cannot compete

with mills is that people have developed wrong taste for highly polished white rice and they prefer that rice to hand pounded rice which is of a dull colour. A provision for restricting polish in rice could have removed this special type of preference enjoyed by the milled rice and the handpounded rice would have been able to flow. Apart from that the nutritional value of rice would have been maintained and there could have been an additional recovery of rice.

Let us request the Government to keep all these things in mind while formulating the rules for the enforcement of the Act.

“The alleged democracy of Capitalism, Communism and Socialism is a dreadfully warped and dwarfed affair. True democracy depends upon tolerance and non-violence and small-scale organisation; not upon force or coercion, but upon peaceful persuasion and consent. When power threatens the welfare of the people, with holding of consent merely by the ballot is not enough. In the final analysis only non-violent resistance can curb tyranny and oppression.”

—Richard B. Gregg



# PROBLEMS OF POTTERY AND POTTERS

( By K. R. SUBBARAMAN )

Let me think aloud about the difficulties experienced in organising the Pottery Industry under the Khadi Commission. Pottery is in a unique position when compared to other industries in that, nobody can undo the existing pottery activities in the villages. It cannot be wiped out from our economy. India perhaps is the only country where un-glazed pottery trade is consistently carried on in such stupenduous volume. There are, on a very modest estimate, 5 lakhs potters' families even now engaged in the production and sale of unglazed pottey in this country. The average production per family for the 6 months' working season in the year is about Rs. 60 worth pottery. This works out to Rs.18 crores yearly. Then what do we want to work for in this Industry? The income per family of two adults and two children working over 12 hours per day comes to not more than Rs. 40 p. m. on the average and that, too, for only six months in the year. This is far below the present income of an average Indian. This is one side of the problem. Regarding the products deterioration of the quality has been going on, not to speak of improvement in the quality. This is because of the inherent limitations in pottery products as they are voluminous, weighty, cheap and fragile. It is also due to the

unhealthy bargaining attitude of the public followed by the psychological tendency of the potter to produce more in number at the cost of the quality and decrease the price to meet the bargaining tendency. There is no incentive for the potters to improve the quality and to make efforts to put in the market more attractive wares which can fetch better prices and which require less and less mechanical exertion and less of raw materials. By utilising his talents more intelligently, the potter can produce finer products and get better income with less effort and at less expenditure.

As examples, I can quote many instances. Take the case of a pot thick and heavy, crude in finish, ill-fired with dull sound showing that it is weak. Such a pot may be sold for one anna and it may last for one month or less. If the pot could be made thin with good finish and fired, it will not only look well, it will give a good ring showing its durability. It will also be light. This pot, although fragile, if handled safely, will last for years. Older the pot, stronger and better it is considered to be. To get clay to prepare it, to knead it, to throw (shape) the pot on the wheel and to handle it in further processes till it is sold, all these operations take away more and more energy of the



potter if the pot is unnecessarily heavy. In the bhatti, the fuel expenditure depends on the thickness of the wares. At home while using the pot, a weighty pot is uncouth to handle. Had the potter used his skill there would have been a lot of saving and his efforts would have brought more satisfaction to the customer and better earning for himself.

### Technical :

Pottery is that craft in which clay is shaped, dried and fired into articles of utility and art. These process involve handling of different clays handling of materials required to be mixed with clay and working the clay mixture into a homogeneous mass of the required plasticity. The next process is shaping this workable clay by different methods like throwing (shaping on the wheel), jollying (on the wheel with a mould and guide), pressing, casting (in moulds of wood, baked clay or Plaster of Paris) and joining. The article shaped by any of the above methods has to be finished properly. Generally the potter uses the first method of making the pot on the wheel. He allows it to harden by evaporation of excess water and then systematically does the beating of the sides to make the pot bitter, thinner and denser. Excess clay from small articles is scraped out as they do not require beating. Joining, embossing, carving, cutting, and number of other devises add to the beauty of the ware. When the shaping is accomplished the next important step is slowly drying the ware successfully without cracks or warping. The dried ware is generally given a good finish with the use

of fine red earth before subjecting it to the fire. Firing is the next and the last process where the final fate of the ware lies, as all the laborious and artistic work would have gone in vain if the Ware gave way in the fire.

I give the above description in order to readily understand some of the usual processes so that the technical problems can be put forth in an intelligible way. Broadly classified, the problems are connected with:

- (i) Clays,
- (ii) Opening materials,
- (iii) Equipments and tools,
- (iv) Finishing Materials,
- (v) Fuel and kiln, and

(vi) The 'know-how' to handle these material, tools and equipments to give the required effect successfully with the least effort.

i. **Clays :** Clay forms by decomposition of rocks. Washed by rain, clay is deposited in tank-beds, fields and river banks. Rarely we find a ready workable clay not requiring any mixture with other clays or materials. Workable clay is that, which has the required qualities, viz., plasticity that allows shaping it as desired porosity that allows the shaped article to dry successfully without cracks or warping, and vitreousness that allows the ware to become hard after the fire. Certain articles require more plastic clay and certain other articles require less plasticity. Some clays have fine grains and some are coarse. In some places clays exist ready for use and do not



contain undesirable impurities. In certain places seldom do we find any clay without impurities like lime, stone and other grit the presence of which cause damage to the articles. Clays in the black cotton soil areas of Bombay State, Madhya Pradesh and Hyderabad are so poor for pottery that in order to make them workable, fibrous materials and ash have to be mixed in large quantities. Potters have found that such fibrous material in ready form exists in horse-dung which requires only collection and thrashing for making it into a uniform pulpy mass. Horse-dung thus mixed in clay gets reduced to ashes in the kiln and the pot has no remnants of horse-dung left in it. All the same, handling horse-dung is not only dirty and insanitary but risky, as titanous infection is said to be generally carried through horse-dung. Perhaps, the potters who use horse-dung in clay are immune from such infection. As an alternative material to replace horse-dung an attempt is going on to supply pulped straw almost resembling horse-dung. That serves the purpose equally well and at the same time clean and safe. In Rupayathan Institution in Saurashtra, this experiment was conducted. Straw, mostly the left-outs from the cattle shed, was worked in the beater of the paper unit. In less than half hour, the whole lot was converted into the required consistency. The wet pulp was dried and made available in bags at a very cheap price. In spite of this attempt, I wonder how many potters will be willing to pay for the pulp while they can collect horse-dung almost free of cost in their own surroundings.

Many people are under the impression that clays require chemical analysis to start pottery, forgetting that it is only for electrical porcelain and finer and highly advanced type of pottery such analysis has any meaning. For ordinary village pottery even of the finest finish testing the clay is very simple, involving only physical methods of washing, sieving drying and firing. Mixture of two or more clays for making a particular kind of ware can be easily done by simple methods on the spot by a potter. Each clay deposit has got a different quality and therefore, it is not possible to test the clay once for all. For unglazed pottery of the heavy type, it is not practicable to supply fool-proof clay mixtures from a central place. Regarding glazed pottery of the finer type, it is not only costly, but also risky to experiment with the clays in all centres. Therefore, it has been found necessary to supply tried clay bodies and glazes from a central Ceramic Station within a reasonable radius, so that the glazed potter production centres can continue to exert their best skill and energy with confidence on the results by using the basic materials supplied from a reliable source. A cooperative Society engaged in even unglazed common clay pottery can have certain facilities made available to its members on the same lines within the village.

Unfortunately, from ancient times potters had to be at the mercy of the landlords in whose land good clay deposits exist. Potters are used to have access to such deposits either free of cost or at nominal cost of meeting the annual pottery needs of the landlord free of cost.



From Government lands they used to help themselves. If objected to they stealthily remove the clay. The objection by the landlord is that the potter burrows into the field and renders it useless for cultivation and, therefore, he requires the potter to level it up. The levelling up entails effort and at the same time for digging clay the next season it is a difficult task. On the other hand, there are places where it is beneficial for the landlord to lower the field at the potters' cost. But finding that the potter wants the clay, the landlord strikes the bargain by insisting on unreasonable price for the clay thus excavated. In certain cases potters find themselves thoroughly helpless when the landlords resort to a dog-in-the-manger policy and there are instances where potters are denied access to the clay deposit at any cost. Ordinarily, potters' clay is not a commodity, stocking and sale of which can be arranged. Moreover, workable clay cannot be easily distinguished by anybody other than the potter. In spite of all his knowledge of his clay methods of shaping and baking, there are occasions when he is desperate when a whole kiln load of pots gets damaged. Reasons for this are beyond his reckoning and he reconciles with the mishap saying that it is God's will.

**Opening Materials :-** Sand or sandy clays are added to plastic clays to increase the porosity. Suitable sand is required. Otherwise in the fire, damage will be caused. Lime particles in pottery burst out after the fire when atmospheric moisture causes the particle to expand and increase in volume, forcing

out its way through the surface of the article. If fibrous materials like horse-dung and ash are used as opening and binding materials in clays, such pottery product is porous, weak, weighty and incapable of taking high finish.

### **Equipments And Tools For Shaping:**

The traditional tools including the potters wheel are, no doubt, very simple and handy. They are mostly of local make. But there are limitations for their performance. Unless the potter is highly skilled, they do not allow of precision work. They do not allow of consistent shape and size, if the potter is not highly skilled. The problem of introducing improved equipments amongst potters is two-fold. However much the equipment is subsidised, the potter finds he is unable to pay even in small instalments as his income is insufficient to invest on such equipments. The other aspect of the problem is to convince the potter of the superiority of these equipments over his traditional counterparts. He is so much accustomed with his potters' wheel that, although it wobbles, he is confident about his capabilities and he often times challenges the superiority of the improved equipments. The moment he is asked to do certain special articles on the traditional wheel; he has some excuse or other and helplessly tries to concile his lot with the conventional pottery. Without exception, almost all the potters are found to be extremely poor and helpless. Following their conservative habits, they cannot come out of this rut. Production and sale of pottery of the improved type have to be organised with or without the



cooperation of the potters and when they see the increasing demand for these wares and when the processes are demonstrated to them in their colonies, more and more potters will realise the need for change in their production methods.

### **Materials And Tools For Finishing :**

Certain techniques have been guarded and kept secret by individuals or groups of potters in different parts of the country. They were neither willing to teach others, nor learn from others. This is unhealthy. Gradually this difficulty has been tackled to some extent by the Central Village Pottery Institute by pooling of the resources and skill of the existing potters. Much work, however, lies ahead. There are materials and processes in finishing pottery before they are baked. If the finishing process is demonstrated and the finishing materials like 'Kabis', 'Pakkan', 'Bhis' and 'Chemmannu' are made available in good quality at reasonable cost throughout the country, by gradual stages village pottery products can be made highly attractive and useful. In the same way, if ready-made glazes for simple glazing and the knowledge about that method are made available, many will jump with joy at the results. The problem is to arouse in the potters the initiative and enthusiasm required for any new enterprise.

**Fuel And Kilns:** To bake their wares, the potters use thorn twigs and fire wood as well as dried dung-cakes. To salvage animal dung for manure purposes, it is very necessary to provide an alternative fuel for manure purposes; it is very necessary to

provide an alternative fuel for the potter which readily available at an equally cheap cost in the villages. This problem is very acute and puzzling. Dung-cakes serve the potter as ideal fuel for getting good results. Scarcity of wood fuel is actually felt in the North especially in the plains. Another problem with the potters is the kilns located amidst populated towns and cities where the potters use mostly the waste combustible materials cheaply available. Smoke from the kiln is a nuisance for the people around. It may also be considered as insanitary and unhealthy. If the potters have to be evacuated from populated areas to respectable distance, the problem of providing them with adequate building and other facilities arise, in addition to the transport facility for their products into the cities and towns. They are reluctant to leave the populated areas where they get ready market for their wares. Moreover, as they work where they live, they feel that they are being excommunicated if they are to be removed from their present surroundings. The cost of rehabilitation is prohibitive. This has been under survey and study by the authorities in Delhi City. The same problem has cropped up in Bombay. Even in a small town like Manamadurai in Madras State, due to frequent complaints by influential persons, the potters were forced to either use a tall chimney to get rid of the smoke or to migrate elsewhere. The Pottery Expert in Madras State made an attempt to ease the situation by putting up a built kiln and a tall chimney. But the experiment was a failure because ordinary



potter's wares cannot be economically fired in such kilns as the fuel consumption is found to be very high. The present practice of the potters are very different, using a different kind of fuel from the ones required in built kiln with chimney. The problem has still to be solved satisfactorily. Much may be said about improved kiln as about improved equipments, but the test of the improvement is in the use of the same by the potters.

There are very many varieties of designs for kilns according to the type of wares to be fired. It is no doubt possible to effect saving in fuel and reduce damage in the fire by organised efforts and co-operative attempts in production. If there are 20 potters in a colony and if they make identical wares there must be enough understanding amongst them for common service, not only for collection of clay, fuel, etc. but to use the common kiln to save fuel and decrease the damage. This will be possible only if they all work for consistent results. Thus, there can be a common kiln for each kind of article requiring the same treatment. The difficulty is in creating the cooperative understanding amongst the potters and sufficient honesty and sincerity to work for the common good.

### **The 'Know-How' To Handle The Materials, Tools And Equipments:**

Exhibitions can arouse the curiosity of the public to some extent. But very few artisans visit these exhibitions. Training Centres on the other hand are few and far

between that the average potter is unable to avail of these. Married at an early age and with children, very few potters are able to go to Training Centres for months together leaving their families to their fate. When once the potter leaves the family there is no means for the subsistence of the family, and production work in the family is upset. Therefore, the Training Centre cannot expect to benefit the potters directly. There are the Demonstration Squads or Peripatetic Parties who conduct demonstrations in the Potter's colonies. But the time of demonstration is too short to leave any effective and lasting impression of the production methods on the potters in the colony. These demonstrations are beneficial only to a limited extent in that potter is set to think progressively so that his conservative attitude will be given up and he himself will begin to take some initiative to improve the situation. There are attempts in certain States, to station the Demonstration Party under different names of tutorial classes, training centres, etc. Even if this party works in the same place one year, the desirable result has not been forthcoming, because the demonstration party is not self-supporting and that itself is a bad demonstration. It is not self-supporting, because the staff in the party sticks to the party only, because the monthly emoluments are more than what they could earn independently with the same exertion. In the regular training centres also trainees require practical demonstration by running successfully and profitably a production



centre. The Commission may not be able to run a production centre as successfully as an institution; but it will take time for institutions to run production centres as model for the trainees. The marketing organisation will provide the real incentive for the artisans as this assures effective outlet for the products of the artisans. The organisation has to grow more and more in intimate contact with the artisans.

**Potters Mostly Self-Employed :** Clay and fuel were collected almost free of cost by the potter in the Village till recently. His equipments consist of the traditional potter's wheel, wooden beaters and stone. All these together would have cost him at best a few rupees and even that would have been paid by him in kind by pots in return to the assistance taken from the carpenter and the stone-cutter. His pots are sold in the surrounding shandies. Therefore, he is self-employed. The custom of the potter supplying the yearly requirements of certain number of families during the harvest season by a certain quantity of grains is still in existence. In rural parts, this barter system is advantageous to the potter especially because of the food scarcity and a slight difference to his advantage in calculating the cost of pots and grains exchange. During the harvest, naturally, the price of cereals is low.

Unfortunately, middle-men have entered into the picture between the potter and the user. The middle-man advances loans to the potter, whose wants have been increasing and who has no other credit facilities or ready market to get cash in return. He needs cash to meet his primary

needs and in addition to meet his needs created by bad habits. He craves for monetary help. The merchant takes advantage of his helplessness. This happens mostly in the monsoon days when he is mostly unemployed. His wares do not dry and his bhatties are damp. To redeem the debt; he works hard after the monsoon. He is obliged to sell his wares to the merchants at low prices. In spite of his earnest attempt by working day and night, his debt is not generally repaid completely and the next monsoon comes. The debt increases. Thus he becomes a slave to the money-lender merchant. Involuntarily and helplessly, he groans in this state of affairs. The self-employed potter could have flourished if left to himself and brought under co-operative fold. This will eliminate the middle-men and at the same time benefit the potters from the scientific advancement in this industry.

**Registered Institutions And Pottery:** Constructive workers engaged in Khadi and Village Industries work under Registered institutions. But the activities of these institutions have been confined mainly to the promotion and propagation of Khadi production and sales. In the case of Village Pottery, Registered institutions began to work for this Industry only very recently, that is after the All India Khadi and V. I. Board was founded. Therefore, their experience of this industry is very limited and pottery is not an easy subject. The potters cannot be easily brought under these institutions. Pottery, especially that part of pottery which requires skill on potter's wheel; cannot be handled without years of practice.



Therefore, even now the institutions that have taken up village pottery development with the assistance of the Khadi Commission are finding it difficult to tackle the potters in spite of all their sincerity. It will take time for the Registered Institutions to show substantial results in this Industry wherever they depend on the potters. Many Institutions commit the mistake in taking assistance from the Commission and starting the activities in their premises without consultation with the local potters and studying their needs. Later on they find that the potters are conservative and begin to woo them. The reaction is bad in that the potters demand monthly salary for their work in the production unit under the institution, as though they are to work for the benefit of the institution ! How can a production unit be successful paying monthly salary for the potters ? Will production be commensurate with the expenditure ? Can any institution afford to employ spinners on monthly wages for spinning yarn ? The shed for the production centre is no doubt to provide more built space for the potters who are greatly handicapped by lack of space. This shed has to be in the Potters' colony where they live and work at present. The potters have to feel that the institution has given them the extra space not temporarily and they should also feel that the institution is serious about their well being. There are institutions which have taken up village pottery development enthusiastically and courageously in spite of their being new to this line. Certain institutions have done admirable work during a short time of

one or two years. Yet, the problem of successful handling of this industry by Registered Institutions is there. It has to be tackled suitably.

**Co-operative Societies :** There are two kinds co-operative societies willing to take up this Industry. One is the Multi-purpose Co-operative Society and the other the Potter's Co-operative Society. There are very few Multi-purposes Societies for this activity and, therefore, I deal with only the problems faced by the potters' Co-operative Societies. Generally, these Co-operative Societies of potters are registered either due to the enthusiasm of the sympathisers or due to the exaggerated exposition to the potters of the benefit of the cooperative movement. The members are mostly uneducated and illiterate. They have high hopes in the beginning due to exaggerated promises. But the common cause and the common problems are not usually tackled efficiently. The Societies fall a prey to the temptation of spending the funds without being particular about the benefits that should accrue to the members. Very soon, funds collected as share capital and working capital taken as loan on the strength of the share capital melt away and a State arrives when the Society, having incurred losses is unable to repay the loan and unable to function. Had there been constant vigil on the society by the Co-operative Department in addition to timely guidance, the picture would have been different. In Madras State, certain Co-operative Societies are given the full time assistance of one Co-operative Inspector each as ex-officio-Secretary. This has



brought forth very good results. For some years to come, until the members become conscious of their part in the successful management, the Co-operative Societies should continue to get this assistance. Formation of such assisted co-operatives might suit the pottery industry admirably. But there are very obvious limitations to their growth. In remote villages where one or two potters' families exist in each village the co-operative movement cannot be extended appreciably. There the Village Panchayat or the Registered Institution can function successfully. Small Village units of production under the guidance of Gramdan agencies can do good work even in the remote parts of the country.

Brick bhattis are run on cooperative basis in U.P., Punjab and other States. Although it is called a cooperative *bhatta*, the members of the cooperative are not engaged in this work. The work is handed over to contractors and wage-earners are engaged for brick *bhattas*. In such cases, if the work is undertaken by Registered Institutions, the

profit can be expected to flow to the wage-earners gradually by increased wages, and even if the institutions earns a profit from the *bhatta*, it will be utilised for other activities for the benefit of the people in that locality. Potters' cooperative society are being registered in good number in Bihar, and Orissa. It is necessary to have a definite programme for these societies from the very beginning with adequate assistance and constant vigilance and help by supervision.

**Caste Consciousness :** There are amongst traditional village artisans, black smiths, carpenters, goldsmiths, potters and other groups. But in none of these groups do we find the communal spirit and the caste consciousness, as in potters. They are proud of their skill, and are in general, united as a community. But as in other communities, there are sects and sub sects which play one against the other. In their profession they are jealous and lacking in co-operation. However, as days pass by they begin to realise their helplessness and find the need for cooperation and organised effort. In organising these potters the human element has to be tackled carefully.

“All technological advance does not make evil good or good evil...Let us hope the world will become gradually civilized. it is not really civilized today. It will become civilized when this technological advance is used for human betterment and not for human destruction ...We must train our minds to think in a new way in this new age in which we live, the atomic age, the interplanetary age...If we don't then the alternative is utter, absolute destruction.”

—Pandit Jawaharlal Nehru



# HANDMADE PAPER INDUSTRY

( By T. B. BHATT )

Before any industry is taken up, especially the handmade paper industry, it is inquired whether the industry will be self-supporting. If the reply is convincing and in the affirmative, another question or problem will arise: where it should be started, i. e., the problem of land, building, water supply etc. The industry requires not only large quantities of water, but also arrangements for the disposal of the used water. Therefore, the land should be so selected that the water is drained off easily. The water contains chemicals and, therefore, it is not generally useful for tender plants.

The next problem is: what type of building should it be kachha or pucca. As the industry requires large quantities of water in many processes, the building and flooring should be such as would resist moisture. Walls are sometimes used for drying the paper i. e., the walls and floor must be cemented or of chunam. If any dust or dirt comes from outside, it will spoil the paper. So on the top also the roof should be dustproof, leak proof either made of cement or asbestos sheets. This is why in the handmade paper industry the artisan *kagadis* had pucca buildings, while other artisans lived in mud and thatched huts.

With all these points, the factory site should be as near to the place where water

and power are available and also other transport facilities. It would, be, therefore, best to select the site at the corner of a town or a city.

## The Building

In construction of the building, the shape and style will have to be considered. The building should be closed from all sides, leaving a space for the gate, i. e. 'U' or square type building will be helpful. The inner Chowk will leave more space for drying the paper in sun and carrying out certain processes in dry days. The height of the walls and roofs should be more than 12' and 18' respectively so that there is enough space left above for installing the beater at higher level and a second closed storey is made for drying of paper. The floor should be concreted after the machines are installed. The building should be open from the side that there is ample ventilation, light, air and also a place for the manager to sit in one corner to keep an eye on all the processes and work going on in the factory. As far as possible the rooms for stocking raw-materials and digestion thereof should be nearer to each other, but separated from the main building to avoid dust, smoke etc. Also the wet and dry processes should be separated in the main building to avoid wastage of paper due to negligence. If electricity is available,



the beater and the calender should be worked on separate motors, but where oil engine is to be used, the beater and calender will work on different shafts, either at right angles or at opposite sides. As far as possible, all the processes should be so arranged that the unfinished passes ahead avoiding bringing it back or crossing it again on the same space.

After the problems of land and buildings (including arrangements for water and mechanical power), third problem is of labour. If there are hereditary artisans to be provided work in their homes, it is better to confine the processes of beating and manufacture of pulp in the factory and supply the pulp to the artisans in their homes. They will have vats for lifting in homes and sizing can be done by women folk.

While starting a paper unit, it will have to be considered what type of paper can be economically produced in the area. It will depend mainly on the availability of cheap raw materials, e. g. grass, waste paper, tailor cuttings etc. and marketing facilities for a particular type of paper. It is found by experience that in the beginning it is economical and easier to start to produce rough quality of paper, even though it may be 100 per cent rag, i. e., even in high grade, file covers, file boards, cover paper, card paper, blotting paper etc.

### Equipment

The question of selection and purchase of machines is the most important. On it depends the production of good and standard quality of

paper. When arrangements for building are being completed, orders for purchase of machines should be placed well in advance so that when the building is ready without flooring, the machines reach the centre. When machines are received, the materials for installation should be kept ready, and the mechanic should be called for. Even though there may not be any basic defects in the machines, these may not give satisfactory work due to defects in installation or to lack of knowledge in the proper use of the machines. It is advisable not to hurry for any standard production unless the machines are finally put into correct working position.

### Labour

All these preliminaries done, the next important item is labour. The basic idea of supporting, promoting and carrying on the activities is the providing of employment either to the hereditary artisans or the locally available unemployed persons. We can divide the work in broad categories, i. e., skilled and unskilled, hard and light. Light and unskilled work, e. g., sorting, cutting of raw materials, sizing can be done by womenfolk or boys, but for lifting, calendering, cutting of finished paper should be done by skilled workers who are generally men. For skilled work, higher wages are to be paid and men folk can preferably do that as they are likely to stick to the job on a permanent basis. From the beginning it is essential to take some trained labour so that wastage in production can be minimised. Generally 5 to 10 youths be deputed be a good training-cum-production centre and each one



should have been specially trained in a particular process – lifting, sizing, cutting etc.

Further, it is not the quantity of production that counts, in the first instance, it is the marketable quality. So, whatever is produced, it should be a useful article and should fetch a value. Each labourer should be trained in one process, always trying to go upward to the higher the type of process so that he can earn more by doing skilled work. When something unserviceable is produced, it should be destroyed at that level; but care must be taken that there is least wastage after sizing material is applied. Regular and full time work can only make the persons expert in the processes. It is only when a person gets sufficient wages for the maintenance of a family that he sticks to the job on a permanent basis. Further,

from both the employers' and the employees' point of view, as many of the processes as possible should be brought into piece work wherein the employer gets the largest production and the employee earns the maximum wage. Care should, however, be taken that the largest production does not result in substandard and bad production.

Last, but not the least, is the finishing process. In this either the paper is removed of the outside defects or converted into stationery.

Whatever the care taken, it should not be forgotten that the cost factor is very important. Costing is a science in itself. One thing should always be borne in mind and that is to economise wherever possible without affecting of quality. Good quality paper, though a little costly, is sure to find a market.

“Finally, a word may be said about the possible extension of the idea and the movement. Once Gramdan becomes established as an operative institution it may in favourable circumstances grow and spread without any special propaganda or outside effort. It may then become a matter of choice for the people whether they remain in the common pattern or seek development in the Gramdan pattern with the special aids and privileges that it obtains, on the one hand and the special effort and responsibilities that they have to undertake, on the other. And it may become necessary to provide for obtaining certain requisite majorities as in other types of legislation for being counted in the Gramdan system. This is perhaps looking far ahead, but it is only if the Gramdan movement succeeds in this manner in establishing a possible pattern for which the people can deliberately opt that it could influence policy and socio-economic development in the country in a really effective manner.”

—Dr. D. R. Gadgil.



# AMBAR IN ORISSA

The Ambar Charkha has revolutionized the hand-spinning industry in the country. It will enable the spinners who want to eke out their livelihood through this home industry to earn four times of what they were earning on Kisan Charkha. It is true that the implements in Ambar Charkha set, namely, Charkha (spinning wheel), Belni (sliver making instrument) and Dhunai Modhia (carding instrument) are more costly and more complicated than the Kisan Charkha in their make up and require more training for their handling than that is required for latter. But taking into consideration the productive capacity of this Charkha set and the fact that it is given to a trained spinner on hire purchase basis (the entire cost being payable in course of five years in monthly instalments and subsidy at 50 per cent cost will be given to good spinners who produce 1500 hanks in each of the first two years), it will not be hard or difficult for industrious spinners or their families to produce adequate yarn by sale of which they not only can pay back the loan instalments, but also get some remuneration for the work they do in their homes.

## Earnings

Even if a spinner is not an expert, it will be possible for him to spin at least 6 hanks for 8 hours work, though with good practice and experience he can easily spin 8 hanks for 8 hours. If he spins 6 hanks for

a day he will get a wage of Rs. 18-12-0 per month on the basis of two annas per hank, taking 25 days to be working days in a month. From this he has to pay back Rs. 2 towards hire purchase loan and Rs. 2 towards threads, kerosine and other spare parts that will be necessary for keeping the Charkha in working condition throughout the month. Deducting these amounts, the balance will be Rs. 14-12-0. If more time is devoted and with greater experience the production becomes more and wages earned also become more. If eight hours' time is not devoted for spinning work, then the wages become less and it will not be paying if less than four hours a day is devoted for this work. Production becomes more if different members of the family of the spinner carry on different processes simultaneously on the implements. Its immense potentialities for production of yarn have been demonstrated in the production Centre in Dharmagarh town in Kalahandi district where Harijan weavers are given training in Ambar spinning. Twenty-four Spinners who were given charkhas in the first week of July, 1959 have spun 4,381 hanks up to 15th August, 1958.

The record of the first six spinners is remarkable and is given below :-

1) Ratna Sagar	615 Hanks
2) Satyanand Sagar	514 ..



3) Chandramani Sagar	394 Hanks
4) Paturam Sagar	368 „
5) Padu Birar	223 „
6) Rukmini Sagar	214 „

### Means of Livelihood

There are such industrious spinners in other centres of the state also. In pottalampur Centre an old woman, Kara Chandrama, by name, aged about 50 years is able to give not less than 125 hanks every month. In some months her record has gone to 200 hanks and more. There are also some other in the State who due to laziness or other causes are not able to give sufficient time and are producing so low as one to one and a half hanks a day. From this it is clear that production and wage depend upon the time a spinner or the members of his family devote on the Charkha. This scheme is intended to solve unemployment among the rural population which has no source of gainful employment throughout the year and which remains unemployed for major portion of the year, and in areas where the wage level is low due to keen competition among the unemployed labourers for work, the Ambar Charkha will be a boon for the really industrious workers.

The whole process of spinning consists of three stages :

- (i) cleaning and carding of cotton of cotton,
- (ii) sliver making, and
- (iii) spinning.

The first two processes require more physical effort and involve more strain than the third process. The first two processes

also require more time than the third process. Experience of the workers has shown that with practice the physical strain involved in the first two process will be felt less. If any spinner who receives training in a training centre (Parishramalaya) is to take full advantage of the charkha set, he has to train other members of his family so that everyone can devote some time over the charkha and other implements and thus help in augmenting production.

### Weavers Take To It

The yarn that is spun on Ambar Charkha is not good in the first month of the training period. But with practice and experience (generally after two or three months of practice) the yarn is above 15 counts and sometimes it goes from twenty to thirty counts also. It has necessary strength and uniformity and will be quite fit for weaving. The count and uniformity of yarn depend upon the slivers that are made after the cotton is carded. Generally, if the cotton is put in the Belni (sliver making instrument) and pressed twice or thrice before it is carded, not only the slivers will be good, but also the yarn will be uniform and strong. At one time it was thought that weavers may not take to this yarn for weaving and there will be difficulties for weaving. But weavers are now eager to take Ambar yarn for spinning. At Pottalampur centre the weavers have woven into cloth all the yarn produced at the centre upto 30th of June 1958 - 54 maunds 14 seers 75 tolas - and they have also taken yarn, 49 maunds 19 seers 22 tolas from other centres for



weaving. The wages paid to them are the same as those for traditional Khadi. The weavers there are demanding more Ambar yarn for weaving. Coating, Shirting, Than, Towels, Chaddars, Dhoties and Sarees can be woven of this yarn.

### **Large Demand For Ambar**

Up to 31st March 19, 1958, 4,053 spinners have been trained in Orissa in Ambar spinning and charkhas have been given to 2,272 of them. A quantity of 65,390 lbs. of yarn has been spun and 43,970 square yards of cloth has been woven. Spinning and weaving wages paid are Rs. 66,918 and Rs. 18,636 respectively. Most of the Ambar yarn is also mixed with traditional yarn and extended the scheme woven into cloth. Mixed Khadi woven is 1,03,640 sq.yds. There is more and more demand for starting new training centres and for introducing charkhas in new areas. Due to non-availability of adequate number of good charkha sets and due to the necessity to take administrative and financial precautions necessary for introduction of this scheme in a new area it is not possible to extend the scheme simultaneously in all the new areas from

which demands are coming. Extension has to be done gradually after making preliminary surveys. For the success of the scheme, support of the general public and specially of the public of the local area in which the scheme is in operation is absolutely necessary. Unless proper market is found for the cloth that will be produced by rapid expansion of the scheme it will not succeed. Here the general public of the locality in which the centre is situated come into the picture. They have to help for the success of the scheme by seeing that at least 60 to 70 per cent of cloth produced in a centre is sold in that locality. Arrangement can be made for the sale of the remaining cloth outside.

For this, intensive propaganda is necessary. The local people have to be convinced that by every one purchasing a piece of Khadi cloth produced in the local centre, they are helping to solve the local unemployment problem to a great extent and also enabling some poor and destitute families to earn their livelihood. Thus the ultimate success of this scheme depends upon the extent of patronage it receives from the local public for its products.



## IN THE FIRST QUARTER (1958-59)

An analysis of the trends in expenditure during the first quarter of 1958-59 shows that,

i) The rate of disbursements on both Khadi and Village Industries was generally larger than during the corresponding quarter of 1957-58, and

ii) The increase in the rate of expenditure on some of the village industries was considerably larger than on either traditional or Ambar Khadi schemes.

### Khadi Schemes

Expenditure on both traditional and Ambar Khadi schemes increased from Rs. 52 lakhs during the first quarter of 1957-58 to Rs. 76.5 lakhs, or by 50 per cent. Expenditure on traditional Khadi schemes during the first quarter of 1958-59 was Rs. 63.22 lakhs, as against Rs. 50.68 lakhs during the corresponding quarter of 1957-58. The increase of about 25 per cent was due to a steep rise in the expenditure on grants from Rs. 39.64 lakhs in 1957-58 to Rs. 58.15 lakhs during 1958-59. The rate of increase in the expenditure on Ambar Charkha Programme was larger than on traditional Khadi schemes. During the first quarter 1958-59, expenditure was Rs. 13.32 lakhs, as against Rs. 1.37 lakhs during the corresponding quarter of 1957-58.

### Village Industries

Disbursements on village industries

schemes as a whole registered a sharp increase from Rs. 4.14 lakhs during the first quarter of 1957-58 to 17.74 lakhs during the first quarter of 1958. The bulk of the increase was due to larger expenditure on account of loans than of grants. Industry-wise, the increase in expenditure was the largest in Non-edible Oil Soap and Bee-keeping industries with Rs. 4.45 and Rs. 4.36 lakhs, respectively, followed at a considerable distance by Village Oil with Rs. 3.80 lakhs and Handmade Paper with Rs. 2.55 lakhs. Progress in the expenditure on Intensive Area Scheme at Rs. 2.69 lakhs during the first quarter of 1958-59 was nearly five times as much as during the corresponding quarter of 1957-58.

To sum up: expenditure during the first quarter of 1958-59 on Khadi, Traditional and Ambar, and on each of the village industries and Intensive Area Scheme registered a steep increase due to large advances of loans to all industries except Khadi and Bee-keeping industries. This pattern of expenditure may facilitate increased production during the year, as it makes possible advance preparations necessary for organising production on a larger scale.

### Physical Progress

The data available to assess the physical progress of each of the industries under the purview of the Commission are limited



both in the coverage of institutions and the period. Generally, the report presented in the following paragraphs refer to achievements upto the end of May, 1958, of about half the number of institutions operating in the field. Owing to these limitations, a comparative study of the progress made during the first quarter 1958-59 with the corresponding quarter of 1957-58 is difficult.

**Traditional Khadi :** At the end of the first quarter of 1958-59 there were 573 certified Khadi Institutions in the country as against 556 in the last quarter of 1957-58 and 453 in the first quarter of 1957-58. Reports available to the Commission to assess progress in production and sales cover only 250 out of the 573 institutions. Moreover, major institutions such as Gandhi Ashram, Meerut, Bihar Khadi Samiti, Rajasthan Khadi Sangh, Chomu, which between them cover over 50 per cent of production and sales, have not so far furnished any reports for the first quarter of 1958-59.

Production of cotton commercial Khadi of 250 institutions during the first quarter of 1958-59 amounted to 42 lakh sq. yds. valued at Rs. 79.30 lakhs, as compared with the production of 55.24 lakh sq. yds. by 325 institutions valued at Rs. 110.26 lakhs during the first quarter of 1957-58. Production during the first quarter of 1958-59 is considerably higher than during the corresponding quarter of previous year, because the reported production is exclusive of that of the major institutions mentioned above. Production under self-sufficiency schemes was smaller than during

the first quarter of last year. Production amounted to 17.14 lakh sq. yds. valued at Rs. 23.92 lakhs as compared with 45.50 lakh sq. yds. valued at Rs. 60.76 lakhs during the first quarter 1957-58. Data are not, however, available to assess how far the change in the policies of the Commission taken towards the last quarter of 1957-58 has affected production. Production of both woollen and silk Khadi during the first quarter of the current financial year seems to have been on the up-grade if allowances are made for the limitations in coverage. Production of woollen goods amounted to 55 lakh sq. yds. valued at Rs. 19.88 lakhs and that of silk amounted to 1.13 lakh sq. yds. valued at Rs. 5.88 lakhs.

Complete data for the first quarter of 1958-59 are not available either as regards the sales of Khadi or the supplies made to Government against accepted tenders. Reports available show that retail sales of Khadi during the first quarter of 1958-59 amounted to Rs. 86.86 lakhs and supplies to Government amounted to Rs. 28.45 lakhs.

With the limitations of coverage by institutions, it is not possible to indicate number of spinners who sold their yarn to the various institutions nor the number of weavers actively employed by the various institutions.

**Other Khadi Schemes :** Under the other minor traditional Khadi schemes, substantial progress was achieved. Introduction of spinning in jails covered 35 jails in the country. Peripatetic parties assisted 75 institutions during the quarter. As many as



221 weavers were rehabilitated during the quarter. During the quarter 10 exhibitions (3 big, 2 medium and 5 small) were held and 12 new Khadi Bhandars were opened. Sales at the major emporia at Bombay, Delhi, Calcutta and Madras continued to show sizeable improvement. Table 3 sums up the data available on the subject.

**Ambar Charkha:** At the end of the first quarter of 1958-59 there were 108 large and 485 small Saranjam Karyalayas operating in the country. At the end of the first quarter there were 37 main and 24 sub-vidyalayas to train instructors and 17 vidyalayas to train carpenters.

During the first quarter of 1958-59, 1,108 instructors, 51 carpenters, 29,392 spinners were trained, as against 758 instructors, 199 carpenters, 24,513 spinners, respectively, trained during the corresponding quarter of 1957-58. While there was a decrease in the number of charkhas manufactured from 25,149 charkhas during the first quarter 1957-58 to 19,303 charkhas during the quarter under report, distribution of charkhas improved from 16,087 to 22,669 during the corresponding period. So far 1,67,260 charkhas have been distributed for independent operation.

Production of yarn and cloth during the first quarter of 1958-59 registered substantial improvement, the former amounting to 650,000 lbs. and the latter to 3,10,000 sq. yds. as against 470,000 lbs. and 440,000 sq. yds. respectively, during the corresponding quarter of 1957-58.

The net additional employment provided during the first quarter of 1958-59 was 26,898, raising the total employment provided so far by the Ambar Charkha Programme to 1,94,321 persons.

### Training

During the quarter under report one new Control Vidyalaya at Borivli (Bombay) and 2 Regional Vidyalayas, one at Tirupur in Coimbatore District and another at Irinjalakuda in Kerala State went into operation. During the quarter reported 400 new candidates were admitted and 210 candidates completed the training. Certified institutions trained 390 candidates for different types of work during the quarter. Together with those still under training from the previous year 899 candidates were under training at the end of the quarter.

Details of the candidates admitted afresh and those who were given refresher course in salesmanship are detailed below.

### Training For The Period Ending 30th June 1958.

Vidyalaya Course	No. continued from previous year	No. newly admitted during the quarter	No. completed training during the quarter	No. under training at the end of the quarter
1. Nasik Vidyalaya	46	-	46	-
2. Gramdan Vidyalaya	-	80	-	80
3. Mahavidyalayas (7)	225	240	-	465
4. Regional Vidyalayas (15)	439	80	164	354
5. 6 month local training by institutions	-	-	390	-
6. Recruit	-	14	-	14
7. Refresher	28	30	28	30



**Village Industries**

Data available to assess progress of village industries are severely limited. Consequently in the case of only a few village industries comparative assessment is possible. Reports available for Gur and Khandsari, Processing of Cereals and Pulses and Village Leather industries cover only a small number of the total number of institutions operating and for only the period ending May 31, 1958.

**Institutional Progress**

As compared with the first quarter of 1957-58, there has been substantial progress in almost each of the village industries. This indicates the progressive extension of the development programmes to newer areas. Institutional progress is striking in the Village oil Industry which at the end of the quarter 1958-59, had 2,134 registered selling agencies as compared with 547 during the first quarter of 1957-58. There was an appre-

ciable improvement in the Non-edible Oil Soap industry as well, the number of production centres increasing from 318 at the end of the first quarter of 1957-58 to 508 at the end of the quarter under report.

The progress in each of the two industries is significant in as much as arrangements have been made for both larger production and larger sales. Similarly significant is the progress made in the Village pottery industry which, at the end of the quarter under report had 152 centres as compared with 47 at the end of the first quarter of 1957-58. During the quarter under report, 17 additional schools adopted Bee-keeping courses raising the number of schools covered to 103 as compared with 86 at the end of the first quarter of 1957-58. Comparative details of the institutional progress made by the village industries during the first quarter of 1958-59, together with the limitations of coverage, are set out in the Table below :

**Comparative Institutional Progress**

Industry	I Qtr. of 1957-58		I Qtr. of 1958-59	
	No. set up	No. covered by the report	No. set up	No. covered by the report
1. Processing of Cereals and Pulses	481	253	526	180
2. Village Oil :				
i) Ghani Manufacturing Centres	45	28	72	49
ii) Selling Agencies	547	267	2,134	N.A.
iii) Primary Societies	362	253	—	—
3. Village Leather :				
i) Flaying Centre	368	43	378	33
ii) T. C. P. Centres	12	8	12	9
iii) Model Tanneries	82	10	125	9
4. Cottage Match	361	66	399	84
5. Gur Khandsari :	—	—	—	—
6. Palm Gur	N.R.	N.R.	2,630	N.R.
7. Non-edible Oil Soap	318	89	508	167
8. Handmade paper	91	54	118	35
9. Bee-keeping :				
i) Sub-stations	252	252	434	434
ii) Model Apiaries	40	40	34	34
iii) Schools	86	86	103	103
10. Village Pottery	47	8	152	19



Except for a substantial improvement in the distribution of crushers in Gur Khandsari industry of hives in Bee-keeping and of various types of improved implements in the Village Pottery industry

supply of improved implements in the rest of the industries has been slower during the first quarter of 1958-59 than during the corresponding period last year.

### PRODUCTION

Industry	Ist Quarter of 1957-58	Ist Quarter of 1958-59
<b>1. Processing of Cereals and Pulses :</b>		
Paddy dehusked (B. Mds.)	2,22,113	1,41,562
<b>2. Village Oil :</b>		
i) Commercial Qty. (Mds.)	43,806	95,038
ii) Commercial Value (Rs.)	31,26,612	55,29,630
iii) Non-Commercial Qty. (Mds.)	2,945	14,279
iv) Non-Commercial Value (Rs.)	3,04,208	7,59,792
<b>3. Village Leather :</b>		
i) Untanned hides and skins (Nos.)	6,690	3,121
ii) Tanned Hides and skins (Nos.)	4,453	3,317
iii) Bones (lbs.)	22,275	8,318
iv) Bones Meal (lbs.)	1,44,566	26,553
v) Meat Meal (lbs.)	20,328	7,308
vi) Tallow (lbs.)	9,979	3,306
vii) Total Value of production (Rs.)	2,24,290	68,035
<b>4. Cottage Match Qty. :</b>		
(Gross Boxes)	4,772	2,194
<b>5. Gur And Khandsari :</b>		
i) Jaggery Qty. (Mds.)	53,353	N. A.
Value (Rs.)	5,86,883	—
ii) Rab Qty. (Mds.)	100	N. A.
Value (Rs.)	1,100	—



Industry	1st Quarter of 1957-58	1st Quarter of 1958-59
iii) Quality Gur Qty. (Mds.)	3,747	N. A.
Value (Rs.)	44,963	—
iv) Khandsari Qty. (Mds.)	1,69,696	3,832
Value (Rs.)	34,02,400	1,12,800
<b>6. Palm Gur :</b>		
i) Palm Gur Qty. (Mds.)	N. R.	7,56,919
ii) Neera Qty. (Gallons)	N. R.	N. A.
<b>7. Non-edible Oil Soap :</b>		
i) Qty. (lbs.)	3,85,592	6,71,191
ii) Value (Rs.)	2,19,678	3,87,600
<b>8. Handmade Paper :</b>		
i) High Grade Qty. (lbs.)	48,315	34,711
Value (Rs.)	61,005	65,837
ii) Utility Qty. (lbs.)	1,09,923	78,991
Value (Rs.)	1,07,537	81,627
iii) Blotting Qty. (lbs.)	54,089	15,202
Value (Rs.)	35,816	8,900
iv) Files and Cardboards Qty. (lbs.)	1,54,423	74,426
Value (Rs.)	39,741	27,075
v) Total Qty. (lbs.)	8,44,099	1,83,439
<b>9. Bee-keeping :</b> Qty. (lbs.)	1,22,862	3,28,223
Value (Rs.)	2,45,724	6,56,446
<b>10. Village Pottery :</b> Value (Rs.)	54,448	50,166

### Production

As already indicated, the coverage of reports available to the Commission on almost all village industries is limited and,

consequently, comparative analysis of progress in production is difficult. The Table below set out the available industry-wise details of production during the first quarters of 1957-58 and 1958-59.



## SALES

Industries		I Quarter of 1957-58	I Quarter of 1958-59
1. Processing of Cereals :	Qty. (B. Mds.)	1,46,396	89,514
	Value (Rs.)	20,26,154	12,86,530
2. Village Oil :	Qty. (Mds.)	37,877	52,258
	Value (Rs.)	26,43,130	39,11,710
3. Village Leather :	Value (Rs.)	63,467	51,077
4. Non-edible Oil Soap :	Qty. (lbs.)	3,48,873	6,56,270
	Value (Rs.)	2,08,292	4,06,769
5. Handmade Paper :			
i) High grade	Qty. (lbs.)	29,640	26,930
	Value (Rs.)	46,354	59,221
ii) Utility	Qty. (lbs.)	1,06,470	66,864
	Value (Rs.)	81,465	70,019
iii) Blotting	Qty. (lbs.)	52,148	2,219
	Value (Rs.)	42,115	1,527
iv) Files and Card Boards	Qty. (lbs.)	67,158	52,630
	Value (Rs.)	18,983	21,517
	Total		
	Qty. (lbs.)	2,55,416	1,48,643
	Value (Rs.)	1,88,917	1,52,284
6. Bee-keeping	Qty. (lbs.)	44,000	—
	Value (Rs.)	88,000	—
7. Village Pottery	Value (Rs.)	16,220	43,628

As compared with the rest of the village industries, village oil, non-edible oil soap and beekeeping industries more than doubled their respective production during the first quarter of 1958-59 as compared with their respective levels during the

first quarter of 1957-58. While production of oil increased from about 44,000 maunds during the first quarter of 1957-58 to 95,000 maunds during 1958-59, production of soap increased from 8.86 lakh lbs. to 6.71 lakh lbs and of honey



increased from 1.23 lakh lbs to 3.28 lakh lbs. during the corresponding period. The comparatively poorer performance in Processing of Cereals and Pulses, Handmade Paper and Village Pottery industries is due to the comparatively smaller coverage of institutions.

### Sales

As in the case of production, industry wise details of sales presented in the Table below show improvement in Village oil, Non-edible oil Soap and Village Pottery industries. The most remarkable increase was in the sale of village pottery articles the value of their sales increasing from Rs. 16,000 during the first quarter of 1957-58 to Rs. 44,000 during the first quarter of 1958-59. The value of sale of oil and of soap increased from Rs. 26.43 lakhs and Rs. 2.08 lakhs respectively, to Rs. 39.12 lakhs, and Rs. 4.07 lakhs respectively during the corresponding period. Sales of high-grade Handmade Paper and files and card-boards, though smaller in quantity as compared with the volume of sales during the corresponding quarter of 1957-58, improved in value. Data are not available for an assessment of comparative progress in sales for the other village industries.

### Employment

Data are not available for each of the Village industries to attempt even a limited comparative analysis, as in the case of other aspects of the programme. The data

available show that during the first quarter of 1958-59, village industries provided full-time employment to 14,848 persons and part-time employment to 54,935 persons, as compared with 13,402 and 21,203 persons respectively during the corresponding period last year.

### Intensive Area Scheme

As a result of the conversion of 15 pre-intensive areas to full-fledged intensive areas and the addition of 10 pre-intensive areas, there were 63 intensive areas and 25 pre-intensive areas working at the end of the quarter under report.

Industry-wise details of production, sales and employment in the intensive areas show that there has been a steady improvement in the volume of production in almost all industries with the exemption of Cottage Match. In most areas, sales have substantial improvement over their respective levels during the first quarter of 1957-58. Although the coverage of the reports is limited to only a small number of areas actually operating, production and employment figures wherever available show substantial improvement over the corresponding quarter of 1957-58.

The reason for the comparative improvement in performance is mainly the standardisation of operational modes and the smooth functioning of the various institutions set up in the areas to manage the various activities.



# READERS'

# FORUM

## A MESSAGE OF GOODWILL

'Khadi Gramodyog' has been throughout the last four years true to its aims. It has been regular and a highly successful magazine, I am gratified to note.

India composed of nearly six lakh villages forms the basis of our programme of development of village industries. Efforts are afoot to make our villages economically sound and self-sufficient and to enable them to stand on their own legs through their own labour. An ever-growing programme of developing village industries and diverting the attention of the village people to them has been drawn up. 'Khadi Gramodyog' has been publishing a series of articles on these industries with the object of carrying the message of this ideology to its readers and the general public. It has been making laudable efforts in this direction by publishing some special issues devoted to particular industries also.

The magazine is entering a new year of its life. Naturally we feel elated on the occasion. I cordially wish that this magazine true to its basic principles may come closer to the people of our country so that they may cherish it as an esteemed friend and follow its advice and counsel and act upon it.

I wish a happy new year to the paper and pray that it may thrive and prosper

in the fresh and fruitful conditions of the coming year.

**Devendra Kumar Hiran,**  
Community Project Area,  
Sanwad (Rajasthan)

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## SOME SUGGESTIONS

1) All circulars and other notifications issued by the Khadi and Village Industries Commission regarding the forms and new schemes etc, should be sent in Hindi only. If any difficulty is felt in some regions due to this arrangement, an English version of the same be supplied - printed on the reverse of the Hindi original. Translations of all papers issued in English should also invariably be sent in Hindi.

2) No demand for 1/10th of the loan advanced to an institution should be made before the lapse of at least five years after the date of advance.

3) An audit party or an Advisory Committee should be provided to the Zonal Director. The party should go on a tour of all the Khadi centres every two months and inspect the work going on there. It should also go into the difficulties and demands of the centre. It should solve the difficulties and demands of the centre. with regard to the submission of reports and returns, on proper forms, filling up of the forms etc., If no forms be available at the centre, the committee should arrange for prompt



supply of forms from the Commission's Office. Sometimes the forms are delayed due to the difficulty of understanding the meaning of the forms in English and this leads to incomplete and inaccurate filling of forms.

Insignificant though these suggestions may seem, they will have an extensive helpful effect on proper working of the official routine.

— B. G. Upasani,  
Bilaspur.

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### MAKE IT MORE ATTRACTIVE

I am a regular reader of "Khadi Gramodyog" and "Jagriti" and take a lively interest in their progress. Though K. G. publishes highly learned and technical articles on Khadi and Village Industries and the economic aspects of rural areas, yet there is not enough or any matter which may interest those who want some things in the lighter vein. I would therefore, suggest a new column of 'Reminiscences' in which personal experiences of those hundreds of Khadi workers who tour on foot could be expressed. Life stories of the villagers. Life stories of those villagers and others who have derived outstanding benefit from Ambar and other Village Industries may also be published under that head,

Rumblings of a prospective outburst are being heard sometimes from certain quarters regarding the subsidies to Khadi and Village Industries. How long would this spoon feeding continue? People have begun to say. K. G. has been replying to

such critics always. But an intensive propaganda is required to drown these rumblings and to gag the wage.

We should tell the people frankly that the Government has been helping and subsidising many of the heavy industries in the organised sector continuously for years together and yet they are unable to stand on their own legs in spite of it. Why should critics of the small sector grudge the paltry help Khadi and village industries are receiving to put them on a path of prosperity during these few days only. They will require such aid for decades till the spheres of their production and marketing don't become safe and sound.

Surprisingly enough not even a mouse squeaks when crores of our unemployed or under-employed rural masses die of hunger and privation, but thunder and blast is raised in legislatures and outside when two or three textile mills close down. K. G. should take up arms against this unjust attitude of the interested parties.

Revered Gandhiji had proposed to restrict the spinning and weaving of yarn of certain counts by the organised sector. He wanted it to be reserved for the Charkha. No move to that effect seems to be afoot today. K. G. should initiate discussion on the point and invite opinions thereon so that a consensus of opinion is created in the country in this respect.

K. G. and "Jagriti" must have a page or two for the youngsters who have to be made conscious of the special Gandhian



technology of Khadi and Village science. They should from the very beginning of their life imbibe ideas about the benefits of Gandhian economy and the evils that industrialisation has created in the world. It will benefit the future makers of the nation intellectually and create a love of manual labour amongst them.

-A Reader,  
Bombay.

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### WE NEED A REVOLUTION

"India needs revolution, today" is the general cry of the youth, the opposition and even of the ruling authorities. What kind of revolution does India need? Is a moot question.

A few number of cities and a vast number of villages form our India. There are about 73 towns with a population of over one lakh of people, whereas there are 5,58,089 villages in India; 83 per cent of our people live in villages. Therefore, any conceivable revolution in our country naturally would affect these villages.

What are the minimum physical needs of the Indian masses? They need work to earn two full meals a day and minimum cloth to cover up their bodies. Can there be a programme to feed and clothe the lowliest of our people today? Yes, Vinobaji has shown us the way. He suggests: just as primary education is compulsory, in the same way teach every one in India spinning. Arrangements for weaving the yarn of the self-spinners should be made free to the extent of 12 yards per annum per person. This will cost Rs. 120 crores to the State. This is not

a big amount considering the benefit it bestows on millions of our people. We see to-day, children, men and women with tattered and torn clothes, even naked, every where. They can be fully clothed by this scheme. This is an inspiring programme.

Vinobaji's another inspiring suggestion is that every village should always have a reserve of grain for all the village people at least for two years.

At the recent Sarvodaya Sammelan at Pandharpur, he addressed Khadi workers and gave them a call to organise the people to get in the thick of life and build up the decentralised economy in the Gramdan villages.

These items would really bring about the revolution, if carried through successfully. To carry through this programme, we will need workers with zest and love for service. The Khadi Commission is running a number of training centres, in the country, imparting training to the youth of the country to build Gram Raj. I have visited one such training centre, viz. Khadi Gramodyog Mahavidyalaya Trymbak Vidya Mandir, Nasik. I lived there for a period of seven weeks. I found that the youth was being trained to fight against the poverty and exploitation and work up a new non-violent revolution. I found the youth agitated and excited. They discussed, they wrote, they read and even in their cultural activities staged dramas on 'Bhoodan' and Village Raj.

At Nasik, I was happy to find that the Vidyalaya was surrounded by the intensive area scheme. Moreover, a non-official body like 'Utkarsha Samiti' was also doing field



work. This would give thorough understanding of the present situation and createable leadership to carry through the revolution.

— **Assandas Bherwani**

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## WHY KHADI AND VILLAGE INDUSTRIES

In the First Five Year Plan the importance of village and small-scale industries for providing employment, especially to the under-employed persons in rural areas, was fully recognised and it was for the first time that an effort was made to view the difficulties and problems of development of village and small scale industries from all-India angle and in an integrated manner. The plan has led to the economic growth of our villages to a certain extent and the Second Five Year Plan has enlarged the scope of the development schemes which aim now to enlist all unemployed manpower in the furtherance of Khadi and Village Industries development schemes.

### **Sarvodaya**

Village industries resist the modern tendency of accumulation of wealth in certain places. Centralised production benefits an individual or a group of individuals only. The democratic way of life dictates cosharing of all national production by all the people equally without distinction of caste or creed. Consequently the structure of our production should be increasingly on a decentralised base. Village Industries are the primary units of our production. The object behind this move is to convert all

raw material resources of the village into consumer goods of village utility so that the village may ultimately become self-sufficient in its needs of all description. Such a decentralised production by the people in common and also to cosharing by them of all other benefits accruing from production—which is the real basis of a socialistic pattern of society and the nucleus of Sarvodaya.

### **Dignity Of Labour**

Another valuable contribution that village industries would make to the well being of the nation will be the creation of a social group believing in the dignity of manual labour. The educated youth loathes physical exertion. He revels in book knowledge and intellectual platitudes only. The tendency has slowly taken root in villages too, and has given birth to social parasites in rural society. Whilst the Prince of Wales in England feels proud to work with his own hands, the son of a clerk in India aghors to do so. This attitude must change and is slowly changing. Khadi and Gramodyog help this change and the village youth is being prepared to grapple with problems of production in his village and to shape the future with his hands. Women have also joined the move and are pleased to have something to do and earn in their spare hours. Village industries have done a lot in removing parda and untouchability also.

The philosophy behind Khadi and Village industries nurtures the idea of common good and community welfare against notions of private benefit based on exploitation. It is the sacred duty of



every indian to come forward to build up the new socialistic and sarvodaya society Gandhiji's conception by promotion growth of Khadi and Gramodyog in every nook and corner of our mother land. We must take a vow to use Khadi and Gramodyog products only so that this non-violent revolution may live long.

— **Durga Prasad Panday,**  
Swarajya Ashram Kanpur.

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## WHY COOPERATION HAS FAILED

It is often said that the co-operative movement can prosper and show good results in countries which have the democratic system of Government. I have no knowledge about its progress in foreign countries. But my experience in our country shows that the cooperative movement has not met with appreciable success, though the reports in newspapers and the speeches of the leaders create an impression that this movement is making great strides.

### Drawbacks

Though I have been and still continue to be a supporter of the cooperative movement, I have become its critic, because I find a number of faults in the way it is being organised in our country. Being a worker in the cooperative movement, I have worked to organise various types of co-operative societies, which attained considerable success, and a number of their members subsequently rose to the position of ministers in charge of co-operation. But I find that the drawbacks in the cooperative departments could not be weeded out,

and they still persist as before. I would like to give below in brief why the co-operative movement has not attained success.

### Apathy

The first and foremost fault which is responsible for the retardation in the co-operative movement is the apathetic attitude of the officials of the co-operative departments in the various States. though their vision should have been broadened and their approach towards the movement should have been different. the officials have not changed a bit. Nor have they become alive to the activities of development launched in our country. The exhortations by our Prime Minister and other Ministers and leaders have had no effect on them, and they continue to move at the snail's pace.

I would like to quote an instance when a responsible and high official of the co-operative department vehemently opposed and criticised the co-operative department in public. He went to the extent of condemning those who took part in this movement. Being secretary of a co-operative, I took exception to his remarks and wrote about this to the Home Minister. The official against whom I had written complained against our institution to the Registrar of Cooperative Societies. The result was that the Registrar ordered for a special enquiry in the working of our cooperative society. Though it was mentioned in the order that the special enquiry would be over within 21 days of the receipt of the letter and we accepted the holding of an enquiry, we



found that it did not materialise even after a lapse of more than 500 days. I regret to note that after the incident, the co-operative department did not fix up the limit of loans for our co-operative society. This is a big loss to the institution as it could not get loans for the last 21 months. Thus the Co-operative Department, which ought to support and foster the co-operative societies, is not discharging its duties properly and is responsible for their decline.

### Old Rules

I would like to quote another example of an agricultural cooperative organised by me nearly six years ago. It withered away because it could not get the necessary financial assistance which an individual can easily get from the Government. This society is now defunct owing to the losses it has incurred. Though our revered Prime Minister lays great stress on the formation of agricultural co-operative societies and the educated people respond to his call, the government officers pay no heed to his exhortations.

Another fault to which the failure of the co-operative movement may be attributed, is that the same old rules and regulations which were framed long ago still persist. These rules which had been promulgated by the British rulers to suit their own ends, need radical changes and modifications.

### Change Of Heart

Yet another factor which is a stumbling block in the progress of the cooperative movement is that as the people are

generally not educated, they are ignorant of the potentialities of the co-operative movement. Being induced by the leaders, people form co-operative societies, but when they do not get the proper assistance from the officials in their venture, they blame the leaders. This serves as an adverse propaganda against the cooperative movement and the people become critical of the Government. They vehemently criticise the failure of this development activity and the loss of public money on it,

What is most important for ensuring the success of the cooperative movement is that the Government should mould its officials, especially those closely associated with the cooperative department, so that they could move with the times and make their contribution in the activities of development organised in the nation. The cooperative movement succeed only with the change of heart in the officials who should give up their apathy to make the movement success.

**-Lajga Ram Chaudhari,**  
Narelay, New Delhi.

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### COMMUNITY OF THE FUTURE

In his book, "The Community of the Future, and the Future of the Community", Dr. Arthur E. Morgan, while dealing with the economic life of the community of the future, observes as follows:

"In thinking of the community of the future, we may do well to keep in mind the desirability of maintaining a degree of



self-sufficiency,....which would enable it to use some of its local resources of manpower and materials somewhat independently of the general prevailing economy ..... A community which has lost all economic independence of action is no longer fully a community ..... A good community like an individual has a degree of individuality and of self-direction. .... With it, as with an individual, a degree of independence should exist along with a large element of interdependence. Complete self-sufficiency for individual or community is worse than an idle dream....

" A good community will want its industry to be not something casually attached to it just for the sake of increased employment and income. It will want its industrial life to be a harmonious element in the fulfilment and enlargement of its personality. "

These observations by an American author who lives in industrialised America, which is supposed to be the most prosperous country in the world, deserve serious thought by those who day in and day out try to decide the Khadi and Village industries programme of the Government. It seems that these people would neither think for themselves nor would profit from the experiences of others. Perhaps they would like the country to travel all the way to heavy industrialisation and at great economic stress, just only to learn that industrialisation is not the surest way to peace and prosperity. Dr. Morgan has most logically argued the case for decentralisation of economic activity so that the community could enjoy a certain amount

of selfsufficiency and independence, which will enrich its life and personality. people at the top, who argue in favour of heavy industrialisation as a means of removing poverty and unemployment fail to see that they would be robbing the community of its 'individuality and self-direction' and would convert it, into an 'economic vassal' which will have " a temper either of servitude or of rebellion against servitude".

Dr. Morgan argues with much force the case for a degree of local self-sufficiency. He gives three reasons for the same :

'First, it is by living together, working together and sharing life together that a collection of people becomes a living community. Physical proximity alone will not insure that

"Second : If local economic undertakings are locally owned, independent civic leadership may be present which would be largely absent, or subservient, if the community should live by employment in branch industries owned and controlled from a distance .....

"Third : The small community needs capacity for a considerable degree of independent economic activity especially in case of depression..... The local community should be able to release these local energies, to free them from this magic spell which keeps strong man idle and willing men inactive. There should be some means for freeing this local time, energy and other resources so that they are not under so complete a servitude to the national or



world economy."

How true and apt are these observations in the light of the economic conditions in our country! If the Community Projects Administration would ponder over Dr. Morgan's words, perhaps they would not try to import American ideas of community and transplant them in India's rural soil. They will conceive of something more congenial to the atmosphere and genius of rural India. Tractors, bulldozers, jeeps, radios and chemical fertilisers are all foreign to the genius of India. Much more education and development of peoples' minds are needed before they can comprehend the use of these machines in a big way. At present these are only disturbing the peace and prosperity of Rural India.

On the other hand, the Intensive Area Scheme of the Khadi and Village Industries Commission, conceived and nurtured by Shri Jhaverbhai Patel, reflects the genius and spirit of India. It has a strong appeal to the simpleminded village folk and is easy to comprehend. Its twin principles of co-operation and self-reliance rooted in the traditions of India. The scheme has already caught the imagination of the people of Gujarat and Uttar Pradesh and blocks consisting of whole districts are turning into Intensive Areas, where people have begun to develop such a degree of co-operation and self-reliance that they can nullify the existence of Government. This is in spite of the fact that the scheme is able to deal directly with the problems of rural reconstruction only in a partial way because of the limitations of the Commission, under whose auspices

the scheme is being carried on. If this is the case with such a scheme will not a scheme covering all aspects of rural life be more successful? It is to this question that I would invite the planners of India to address themselves. In the following paragraphs are suggested the lines on which such a scheme could be organised and implemented.

At present there are a number of agencies with which rural life has to come in contact in order to fulfil itself. Even in areas covered by community projects or N. E. S. Blocks, most of the agencies operate in an independent manner for all practical purposes, although they put up a semblance of coordination and co-operation. Education, Health, Social Welfare, panchayats, Public Works and other Departments function independently of each other. Therefore, schemes emanating from these agencies do not take a comprehensive view of things but a lopsided view, which when put into operation look like pieces artificially woven together. They lack that cohesion and unity which are required to develop the individuality and spirit of the community.

However much the Intensive Area Scheme may try to compensate for the draw-backs in these schemes by arousing the initiative of the people to organise themselves and bring cohesion in them, still the picture is far from complete and the workers engaged in executing this scheme get stuck up at one point or another. Therefore, I would urge a more comprehensive scheme to be formulated and a



machinery to be devised which will have comprehensive administrative function than any one individual agency functioning at present. Such a scheme can become the function of a separate department by itself. This should be in the direct charge of the Chief Minister of the State and a Senior Secretary at the top of the same. This scheme can be introduced in selected areas in the beginning and all other departments and agencies will withdraw from such areas and would function only at the bidding of this newly-created department. It is necessary for the Chief Minister and a Senior Secretary to be in charge of this department in order to command the respect and obedience of other departments.

At the Central level there may be a small advisory committee which will lay down the policy and programme under this new scheme and will guide and advise the executive in successfully carrying out the scheme. Such an arrangement is necessary in order to ensure over-all direction in matter of policy and programme. This sort of machinery will also meet the needs of gramdan villages and, infact, gramdan areas can be ideal areas where this scheme can be suceessfully implemented, resulting in a great degree of co-ordination and co-operation. Representatives of the Khadi Commission and the Sarva Seva Sangh may be associated with the Advisory Committee at the Central level.

If such a scheme comes to be executed through an agency under unified control, I am sure the atmosphere created by the gramdan movement, together, with the

technique of the Intensive Area Scheme and the resources of the Community Projects Administration, will be fully exploited and the community of the future with individuality and independence can be ushered in a comparatively short time.

—Rajagopalan,  
Assistant Organiser,  
Intensive Area.

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### THEIR POTENTIALITIES

Khadi is a village industry that is providing work for lakhs of people. The highly successful working of the Khadi industry is due to the unique organising capacity of the Khadi and Village Industries Commission. In the year 1957-58, the production of Khadi was 10 crore square yards valued at more than 10 crore rupees.

The Commission has been opening a large number of Parishramalayas and Vidyalayas in the country. When the trained personnel train others and all these produce yarn, the quantity can be increased many fold. Unfortunately, however, most of the weavers use mill yarn on the looms and are averse to using handspun yarn. The Commission has to train more weavers to cope with the increasing production of handspun yarn.

Another village industry which can provide work and living to the people in the villages is the handpounding of rice industry. If this also is well organised, the villagers can have more work and money. I have been impressing on the Organiser of Hand Pounding Industry the desirability of constructing rat-proof godowns where



the villagers can stock paddy after harvest. The Commission can advance money on the security of the paddy. The villagers will pay the advanced money and wages for handpounding, less the subsidy when they take rice.

Our Ashram has agreed to do all this work on a no profit and no loss basis. Our Ashram has been granted a certificate by the certification committee. Certified institutions and cooperative societies may be entrusted with the work connected with the handpounding industry.

It is an undisputed fact that big industry can find work only for a few thousand people, while the village industries can provide work for lakhs of people. The Government and the leaders will do well to give every encouragement to the Khadi Commission to expand its activities so that the people of the remote villages in the country can be benefited.

- P. Virabhadraswami,  
Sri Gandhi Gram Sowbhagya  
Ashram Vantithadi

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### STEAMED BONE MEAL

Steamed Bone Meal, an organic manure, is an important fertilizer, rich in phosphoric acid. It is obtained by treating the bones with steam under pressure in a Bone Digester. It is useful for all soils. It is found that best results are obtained in acidic and aerated soils which have good drainage arrangements. The bone meal has particularly notable effects in soils which

are well supplied with organic matter. It contains about 2.38% of nitrogen and 27.4% of phosphoric acid, and the presence of lime in it helps to reduce the acidity of the soil. It is well suited for application to all crops such as paddy, wheat and other cereals, and also sugar cane, vegetable and fruits. At the same time, it lessens the agricultural expenditure when compared to other fertilizers, and also enriches the soil to a very great extent year by year on application. Steamed bone meal is much better than raw bone meal.

In spite of this very good fertilizer—an organic manure—other in-organic fertilizers such as ammonium sulphate are encouraged by the agencies. The agriculturists must be educated on the use of the bonemeal fertilizer and the Government should encourage its production and arrange for its distribution amongst the agriculturists through the Block Development Officers and the District Agricultural Officers. To encourage the production, export of raw bones from India should, be banned which will facilitate easy availability of bones at normal rates. Now the price of raw bones is very high and it is increasing day by day on account of export to foreign countries.

The Khadi and Village Industries Commission has arranged for running Carcass Recovery Centres and Bone Crushing units on their behalf through the Block Development offices and registered institutions like the Gandhiniketan Ashram, etc. In these Centres steamed bone meal is produced and the same is in steady progress. The



Gandhiniketan Ashram, T. Kallupati, Madurai District, in the South has under its control six Carcass Recovery Centres at Watrap and Virudhunagar in Ramnad District, Sattur, Chinnamanur and Avaniapuram in Madurai District and Kaduveli near Tiruvaiyaru in Tanjore District. Large stock of bone meal is available in the above Centres.

**Seenu R. Ramasubhu,**  
Gandhiniketan T. Kallupatti

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### AMBAR INNOVATIONS

During my tour in Salem District, I got the opportunity of visiting Shri P. Narayana Iyer's house at Rasipuram. He is a well known artist. He is the proprietor of Salem Studio, Rasipuram. His family consists of three members. Last year Shri Narayana Iyer visited Gandhi Ashram, Tiruchengodu. He saw Ambar Charkha operating in the Ashram, and got attraction towards it. On the same day he purchased one charkha, Belni and Dhunai Modhia. He took them to his house at Rasipuram. He made some modifications and made the charkha into a six spindled one. He applied ball bearings to the main shaft and bottom driving shaft of both charkha and belni. Instead of thread for malas he has used spring covered with plastic. Any how his workmanship is really excellent. His daughter Rajeswari who is 11 years old and a student, is spinning on the charkha in the morning and in the evening. Her father's sister, an old woman, after her household work, cards the cotton in

Dhunai Modhia and makes sliver in the modified belni. The daily output comes to 15 to 20 hanks of 24's counts yarn. Additional cost for making the 6 spindle charkha is Rs. 50. Some 2,048 hanks of yarn have been spun on this charkha from 1-4-1957 to 15-8-1956. I was not able to meet Shri Iyer in person, His sister said that she finds it very helpful to pass time and at the same time enable her to earn Rs. 3 per day. Shri Narayana Iyer really deserves all encouragement in further research in Ambar Scheme.

I also visited Dr. T. A. Das's house at Rasipuram. He spins 8 hanks of yarn each day on the ordinary Ambar Charkha. But he has also fixed ball bearings to the charkha and the belni.

**- K. Narayanan Nair**  
Asst. Inspector, Ambar Saranjam  
Tiruppur.

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### THERE IS NO TIME TO WASTE

There is no time for the Bees to waste! The little creatures do not have time to think or to plan about utilising their time. They simply put everything into perfect action. Right from the dawn till late in the dusk they work. There is no time for them to waste.

Assam, the beautiful frontier state bestowed with the evergreen vegetation sprouting with myriad flowers bearing tons of nectar and pollen, and sheltering countless



thousands of Bee colonies, reminds those who are in the fold of development of the industry with the message 'there is no time to waste.'

Experience tells that, in certain regions of our country also, where bee-pasturage and other essentials favour, nearly 600 Bee colonies can be reared in one sq. mile area to produce an average of 10 to 15 lbs. of honey per year per colony. (The Coorg and the Kodaikanal regions of the Western Ghats of the South India are just testimony).

Of the 78,681 sq. miles of land in the State of Assam, 6146 sq. miles of area is reserve forests; 22,734 sq. miles are covered by major hills. Now, leaving alone the measure of scope mentioned above, a simple calculation on the assumption of rearing one Bee colony per sq. mile in the non-forest and plain area and 10 colonies per sq. mile in the forest and hill area of State, leads us to a total requirement nearly 1,50,000 Bee hives with Bees. This number of colonies is estimated to produce approximately a minimum quantity of 20,00,000 lbs. of honey. Assam flora is quite potential to supply both Bees and their needy provisions to outshoot this minimum target.

Beekeeping Industry in Assam has been started by the State Khadi and Village Industries Board. The work was initiated in the year 1956, but the progress achieved thus far is deplorable. A just evaluation of work done cautions those who are

responsible. that 'there is no time to waste.'

**-Sunder Yesuvadian**

Supervisor For Bee-keeping Industry  
Eastern Zone, Tezpur, Davany, Assam.

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## ITS EMPLOYMENT POTENTIAL

Handpounding of rice is an important village industry. It can provide employment on a large scale in rural areas for some days in the year.

Generally in villages agricultural labour will have work only for six months in a year. During the remaining six months, they can do this handpounding work and earn their livelihood. This industry is a useful source of employment, especially for rural women. In rural areas apart from men, women are generally employed in the handpounding work. Nearly 60 per cent of the paddy produced in our country is handpounded and about 25 lakhs of women are engaged in this industry. They earn about annas 12 to 14 per day by doing this work. Handpounding of paddy offers them employment. It is estimated that if the mill sector is compelled to stop rice milling and if this work is done by the handpounding sector, about 26 lakhs of additional women workers will get employment and earn at the rate of about 12 to 14 annas per head per day. Moreover, this being their traditional industry, they need not take any special training. It does not need much



capital, and women also need not go out of their houses in search of employment.

### Food Habits Of The People

Much has been said about the food habits of the people. Most people in the urban areas don't like handpounded rice as it looks brown. They are accustomed to eat milled and polished rice only.

During the days of rationing, Government used to keep only brown and unmilled rice in the rationing shops, and most of the urban housewives used to polish it at home only because their family members were not ready to eat unpolished rice. But after all, this is question of their habits only. The Government may create a situation in which it will be inevitable for the people to eat only handpounded rice. This can be best done by completely abolishing the rice mills. After all food is meant for us and not we for the food.

—Suman Bhadavale.

Bombay.

x x x

### LEAVES FROM DIARY

**December 26, 1957; Nasik.**

Early in the morning at 4, the taxi carrying me from Nasik Road Station deposited me and my luggage in front of the Khadi Gramodyog Mahavidyalaya, Nasik. I had to join the institute that day after completing my four months' training at the Small Industries Service Institute, Delhi, when the place seemed so calm and quiet, as to excite me

to think suddenly; 'am I destined to spend eight months of my life at such a solitary place'.

I got myself somewhat introduced to the Vidyalaya. It is said that out of all the Vidyalayas run by the Khadi Commission in the country, this is the best. More than half of the prospective trainees had already arrived from seven States of India—namely, Punjab, Himachal pradesh, Rajasthan, Andhra, Madhya pradesh etc., 114 trainees are to come. Again a question came to my mind—“ How people of so many different States can live together and work together? ”

Some members of the Vidyalaya staff were introduced to me. The Principal has gone out of station and is expected back within 2 or 4 days. The staff could not impress me, rather I felt sorry for some of its members. They lack personality.

x x x

### Collective Life

**January 9, 1958**

The Vidyalaya has a community life. It comprises a separate society, a religion of its own and an individuality of 114 persons of India's seven States. There is no distinction of caste, creed and class amongst the trainees. If a distinction, could it be called there is that of human personality only. We sleep together, eat together and work together. All of us have the same level. There is an everlasting liveliness, and constant bustle here. Really I cannot describe the



happy atmosphere all round me. I shall never forget it.

x x x

**July 29, 1958.**

I am filled with grief when I see notions of narrow provincialism being propagated in the institution. One day quite a quarrel developed between two intimate friends belonging to two different States on the question of precedence being given to their respective States in the printing of an introductory caption under a group photograph.

x x x

### Prayer

**January 12, 1958**

I felt a bit nonplussed when the Superintendent informed me that attendance at morning and evening prayers was compulsory. It is not possible to go to bed before midnight due to constant disturbances. We are lodged in a large hall-like dormitories of a hospital. If we were lodged in separate rooms in groups of 4, it would have been possible to sleep earlier. In the morning at 4.45, the prayer-bell rings and don't feel like getting up. But the Superintendent himself comes to rouse us out of our beds. We have to attend the prayer with our blankets on. I feel I must have a bath before prayers. I know the value of prayer and I remember Gandhiji's words: "An eternal struggle goes on in every body's heart between the powers of

darkness and of light and he who has not the sheet anchor of prayer to rely upon, will be a victim of power of darkness." But I am unable to understand the value of this forced prayer. Nearly 95 per cent of us are neither able to understand the "Sanskrit Shlokas", nor anybody tries to explain it. Our Muslim and Christian friends are ready to learn the prayer, but the staff never tries to teach it to them.

First attendance is taken and then the prayer commences. Is there no other way of holding prayer? The trainees again go to their beds after the prayer is finished. In the prayer as well as in the mass spinning of the staff, only the staff Superintendent attends. If some personality comes, other staff put in their appearance.

### Suggestions

I suggest some changes;

1. the prayer time should be confined to 20 minutes only instead of one hour.
2. the meaning of Sanskrit Shlokas should be explained to the trainees as soon as they come.
3. the prayer should begin at 7 a. m. instead of at 5 a. m. in order to enable trainees to take their bath before prayer.
4. on the very first day of their Vidyalaya life, the trainees should be explained the significance of prayer.
5. the religious talks which are held just after the the trainees come out of their classes fully tired at 5.30 p. m., seem



redundant. Everyone is tired and no one feels like praying at such an odd hour.

x x x

### Community Work

January 28, 1958.

Every one is compelled to devote an hour for community work after prayer. Tutor guardians accompany us. Some of them share our work, whereas some only supervise the work. I could not understand the significance of this community work. Some people feel it would be more useful to devote one hour to intellectual work instead of to community work. What is the idea behind 'community work,' nobody explains to us. Gandhiji was very particular about cleanliness. He used to say that if he were to occupy some house, he would first inspect its latrine. But here latrines and bathrooms are the dirtiest. Though the latrine has a flush system, all its chains are missing. No one bothers about their cleanliness.

In the morning one batch has to cut up vegetables for the kitchen. Though we try our best to save our fingers receiving cuts from the knife, yet our fingers are badly cut due to our inexperience. As soon the blood comes out, we curse the tutor guardian who is taking rest at the time. How does this vegetable cutting promote the spirit of swavalamban, I fail to understand!

x x x

August 2, 1958.

The ideal of Community work which I could not understand during my six months' training period in this Vidyalaya, I have learnt in a week after reading Gandhiji's 'My Experiments with truth'. I am reading this book very minutely and wholeheartedly for the last one week. Just today I have finished it and have prayed for the departed soul. A ray of light has brightened by heart. My mind is clear now. Now I have understood the importance of community work. Alas I we could have been taught its logical significance at the very beginning of our course. I suggest the following:

1. the trainees should be explained the significance of community work just after they join the Vidyalaya. Gandhian literature should be supplied to them.

2. the tutor guardian should set an example by doing every-thing himself.

3. more attention should be paid to the cleanliness of latrines and kitchens. Only road cleaning is not enough.

x x x x

### Tutor Guardian Pattern

February 1, 1958.

Batches of 14-15 trainees each have been made. A member of the staff looks after each batch and is its tutor guardian. Our tutor guardian himself explained to us the significance, and work of his post. He helps to remove our difficulties. He also tries to keep up and enhance the prestige



of his batch. Really the object of this system is very helpful.

**August 22, 1958.**

I have no objection to the system of tutor guardians, but my experience of the last few months has pressed me to say something. We are to leave the vidyalaya within a day or two. This evening the tutor guardian has invited us to tea. During the last seven or eight months perhaps this was the 2nd or 3rd occasion when we have this sort of getting together. All the trainees of our batch were not present, as some of them had abstained in protest against the T. G.'s nepotist attitude to some persons. It is a fact. He forgets his duty and goes out of his way to back his favourites. I have seldom seen him trying to remove our difficulties or solve our problems!

This system of tutor guardian may be improved as follows :

1. Only such persons from the Staff should be entrusted the work of Tutor Guardian, as have faith in the 'Great task'. This is really a great work. An ordinary teacher who has no interest in this work, is unable to perform the duties of the office.

2. The T. G. should be fully conversant with his work.

x x x

### **Partical Training For Different Industries**

**April 10, 1958.**

Now only one month is left for

us to complete our Ambar Training. Hardly 20-25 minutes we rest after lunch. The bell rings and we start for our Ambar class in scorching sun with our cotton, sliver etc. and return at about 6p.m. I am to spin 30 hanks in a month. I observe, unfortunately in the training classes, production side is more important than training. More attention is paid for producing 30 hanks of yarn. Some trainees either take rest at the time of the class or leave the class earlier and purchase the hanks from the market for depositing. This is the case with Traditional Charkha also.

**July 15, 1958.**

After completing the Ambar training anyhow I am now attending the weaving classes which continue for a month. Here also production is more important than learning. There is a teacher for every process viz. calendering and preparing warps and wefts etc. Neither the trainees have any initiative or inspiration for learning the art, nor have the teachers any enthusiasm for teaching. Anyhow, the fixed quota of work has to be gone through. May I suggest as follows :

1. The training period for both (Ambar and weaving) should be reduced from 2 months to one month.
2. There should be no compulsory production.
3. The instructor and teacher should pay more attention to teaching. The practical and theoretical classes should be taken together.



4. In weaving classes also, more attention should be paid to teaching in stead of quota-filling.

x x x

### Theoretical Training

**July 1, 1958.**

Theoretical classes are taken for 3½ hours. In those classes lectures on co-operation, community development plan, Khadi Commission etc. are delivered. Here also the university technique has been adopted. I feel that the teachers are not well versed in their subjects. There are a few subjects which may not prove useful for our Block work. Only a few selected subjects should be taken up in the classes, so that they may help the trainees to make themselves more serviceable to the rural community.

x x x

### Seminar

**August 14, 1958.**

The Seminar has lasted a week. We have learnt a lot in these seven days, whereas we could learn very little in our two months' theoretical

classes.

x x x x

### What I Feel

We have spent eight months of our life in his Vidyalaya. At this stage when we are leaving this institution, our heart is overwhelmed. None of us will deny that we have gained some idea about our work in the Block. If some one asks me to compare the training of small Industries Service Institute and that we received in this Vidyalaya, naturally I will say that the Vidyalaya training was for the best. A very important thing which we have learned here is the value of regular and simple life. Here we got the inspiration of self-help. Khadi, which we were wearing forcibly sometimes, has now become our favourite cloth and has got a place of respect in our heart.

If some defects of the Vidyalaya are removed, definitely Khadi Gramodyog Vidyalaya will become a Model Institution of the country.

— **Chandramohan "Madhur"**

M. Com., Extension Officer  
(Industries), Faridabad Block  
(Punjab).



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## EMPLOY MAN-POWER

India, like China, has enormous man-power, vast unemployment and under-employment. It is not good comparing with the tight little countries of Europe which gradually became industrialised with small and growing populations. Any scheme which involves the wastage of our labour power or which throws people out of employment is bad. From the purely economic point of view, even apart from the human aspect, it may be more profitable to use more labour power and less specialized machinery. It is better to find employment for large numbers of people at a low income level than to keep most of them unemployed. It is possible also that the total wealth produced by a large number of cottage industries might be greater than that of some other factories producing the same kind of goods.

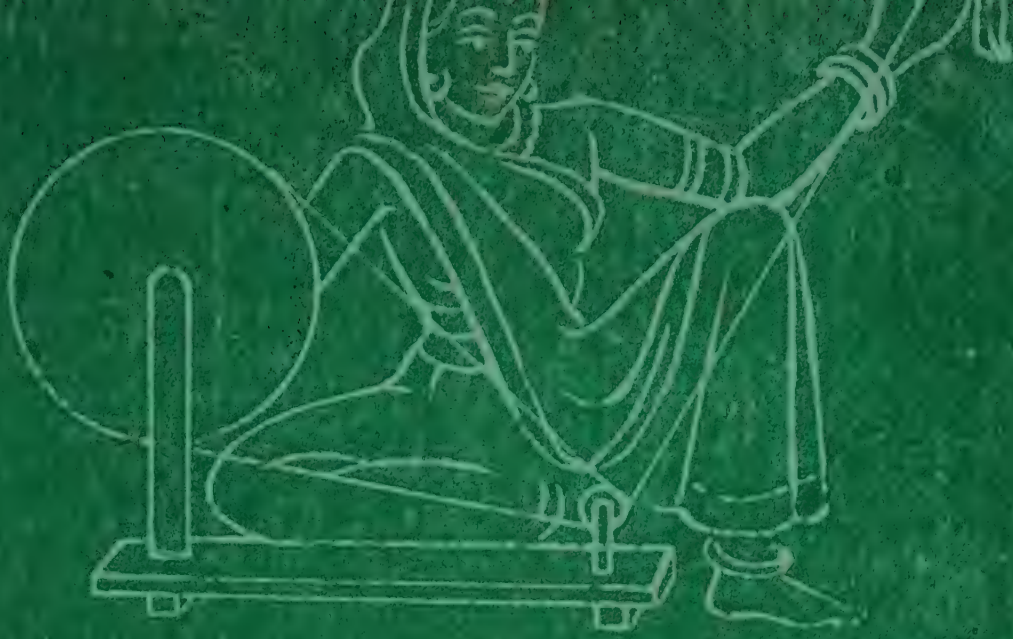
— Jawaharlal Nehru

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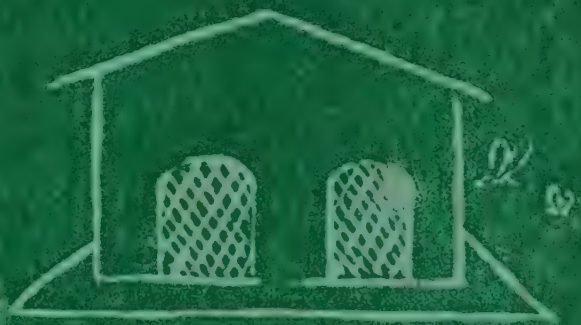




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विनाशनम्॥



# KHADI GRAMODYOG





# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

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## MEMBERS

- |                            |           |
|----------------------------|-----------|
| 1. Shri Vaikunth L. Mehta  | Chairman  |
| 2. Shri Pranlal S. Kapadia | Secretary |
| 3. Shri R. Srinivasan      |           |
| 4. Shri Shriman Narayan    |           |
| 5. Shri Dwarkanath Lele    |           |

## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan, organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries,
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.



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## Please Fill In This Form And Return

To

Asst. Accounts Officer (Bills),  
Khadi and Village Industries Commission,  
Post Box 482,  
Bombay 1.

Sir,

I am glad to learn that Khadi and Village Industries Commission is bringing out a monthly Journal under the caption "KHADI-GRAMODYOG". Please enrol my name as a subscriber to the Journal in English/Hindi for which my annual subscription of Rs. 2.50 is sent by money order.

P. T. O.

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This office has been receiving numerous complaints from readers and subscribers. These complaints fall under the following categories :

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3. Non-receipt of proper receipts against remittances and payments.

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While remitting amounts on account of subscription to 'Khadi-Gramodyog', the remitter must

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- c. Mention legibly and clearly the local post office or the post office to which 'Khadi-Gramodyog' should be sent,
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- e. Block Development and Extension Officers of the Community Projects Administration must give their full postal addresses clearly and legibly.

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It is hereby notified that no such conversion will be permitted.

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(Director of Publicity),

KHADI & VILLAGE INDUSTRIES COMMISSION

BOMBAY-1.

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Address \_\_\_\_\_

\_\_\_\_\_



# KHADI—GRAMODYOG

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NO. 2

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## PROUD PROGRESS

The following message from Shri Manubhai Shah, Union Minister for Industries, was received too late to be included in the Fourth Annual Number of "Khadi-Gramodyog" :

"I have been watching the progress of achievements in the development of the Khadi and Village industries with interest and I am very proud of the progress made in this direction within the last 5 years. The very good progress is due to the zeal, sincerity and hard work on the part of all concerned with the implementation of the various schemes. I hope they would conti-

nue to put in their best in future and thus serve a noble cause which seeks to provide gainful employment with self-respect and increase the nation's wealth.

Under the able leadership of Shri Vaikunthbhai Mehta and the Khadi and Village Industries Commission, these beneficial activities are progressing ahead. I wish these activities all success. These activities highlight the need for rapid growth of agro-industries and rural industries in order to bring a better life to our millions of brethren in the villages and elsewhere all over the country".

## LESSONS FROM HYDERABAD

If superlative terms are employed in describing the demonstration of spinning on the Ambar Charkha held at Hyderabad on 25th October in the presence of the Prime Minister that would, in no sense, be the language of exaggeration. That it was a wonderful sight and performance — such as could inspire and enthuse — was the sentiment felt if not expressed by all who had the privilege of witnessing the demonstration. All

who believe in the role that handspinning occupies in our social economy cannot be too grateful to the Hyderabad Khadi for this visual demonstration of the potentiality of the Charkha.

### Without Parallel

In what did the uniqueness consist? In the first place, it was the number of spinners gathered together at one place that was



noteworthy. On no occasion in the past had nearly 1,500 spinners been assembled in one place for mass spinning. With spinning conducted on the Ambar Charkha, the space occupied was also more extensive than found necessary ever in the past, with spinning done on the traditional Charkha. Secondly, not only were all the spinners women, but they were women drawn from a section of the community which does not normally participate in public gatherings. A little over 80 per cent of the spinners were Muslims, rarely going out of their Mohallas and when doing so, clad in burkhas. That they and the members of their families should have induced themselves to break the traditional restraints on this occasion undoubtedly lends it uniqueness. It is, besides, a testimony to the confidence which Swami Ramanand Tirth and his colleagues have inspired in the Muslim population of greater Hyderabad. Lastly, all the participants were clothed in Khadi.

### Creditable Work

Although it was on a ceremonial occasion that the spinners had assembled, they were attracted there not merely to do homage to the Prime Minister, but because spinning, apparently, had now become part of their daily life. They owned the charkhas and belnis they plied on the occasion, having used these ever since they completed their training. According to the Samiti, the daily average earning of the spinners in Hyderabad is in the neighbourhood of a rupee and a quarter. This indicates that the Charkha is plied regularly and almost for a full

working day. This reflects credit both on the spinners themselves and on those responsible for organising training in Hyderabad. It is very essential for the success of the Ambar Charkha that the sense of social responsibility which has contributed to progress in Hyderabad should be developed wherever the programme is undertaken.

### Emulate Hyderabad

A factor that counts is that Hyderabad is a growing city and that unemployment is especially rife among the Muslim population. But there are other cities which are growing almost as rapidly, attracting every year thousands from the countryside in search of employment. The evil of unemployment, again, is not peculiar to the Muslim population of Hyderabad. Deserving of the warmest praise as are the Pardhanashin women of Hyderabad, there are women elsewhere, too, in towns and cities who may be equally keen on adding to their family earnings by taking *en masse* to wholesome remunerative work such as spinning on the Charkha. Uniqueness lies in the manner in which the entire programme of training and production has been organized by the Hyderabad Khadi Samiti. It should find emulation all over India, if the Ambar Charkha is to help in relieving a social malady.

### The Lesson

When we speak of decentralized method of production, we are apt to think mainly



in terms of the application of the principle. Hyderabad indicates that the Charkha, as an instrument of production, has a place in the social economy of urban areas as well, provided the work is systematically organised and, of course, in case the economic urge is present. Then again, when urban unemployment is discussed our attention gets affixed to the educated unemployed excluding from our consideration the large numbers of those who are not likely to get their names registered at employment exchanges. The ranks of "earning dependents" consist of large numbers who are perpetually underemployed, while the category of non-earning dependents covers even vaster numbers who can contribute effectively if their labour is properly enlisted and production efficiently organized to the wealth of the nation. That is the lesson, provided by the Hyderabad demonstration.

### **Social Change**

One last point. Very often a distinction is sought to be made between Khadi produced for self-sufficiency and that which is for the market. On various grounds, one can urge the extension of Khadi work on a

self-sufficiency basis. Such a concept may be interpreted comprehensively so as to cover personal, family, village or regional self-sufficiency. Such development does not come under the influence of the money-economy. The work in Hyderabad, however, falls in a different category. "The women who have taken to spinning have probably done so, not with a view to becoming self-sufficient in meeting one of the needs of their daily life. As was, however, pointed out on the occasion, they want to become engaged in healthy productive work and they can rank themselves now as self-employed persons, owning their tools of production. To aid in swelling the numbers of those who constitute this sector would be deemed to be valuable social service. Besides, the expansion of this sector of our economy will take us presumably nearer to our goal of establishing a socialist order of society. Thus understood, Khadi stands not merely for a programme of social welfare, but represents a distinct move towards a change in the social structure.

- Vaikunth L. Mehta

## **UNFOUNDED PRESUMPTIONS**

Many noted economists have recently written about India's economic needs and problems. Several of the publications of the I.L.O. show an understanding of the basic facts of India's economy. Among recent contributions on the subject is one by Prof. J. K. Galbraith an extract from which is reproduced below :

"Finally, India, as a parliamentary democracy has a difficult problem of

reconciling efficiency and maximum growth with the political pressures and religious preferences of her people. Some of these pressures - the Gandhian emphasis on cottage industry with the resulting limitations on factory production, for example - are decidedly inimical to growth. In the past, Russian comment on Gandhi and the economic policies of his followers was invariably contemptuous, but of late there has been a



marked tendency to rationalize these policies as very desirable. They are seen as the alternative to capitalist textile production and a solution to the admittedly tragic problem of village unemployment. Neither position reflects the realities of the Indian situation. This requires a sympathetic view of the religious preferences and the problem of unemployment but fairly strong resistance to restraints on factory enterprise or the diversion of scarce capital to village industry. For this would mean merely more privation over an even longer time." (Prof. J. K. Galbraith: 'Rival Economic Theory in India.' Foreign Affairs, July, 1958).

It is presumptuous for a layman to criticize a distinguished economist, but one wonders where Prof. Galbraith derived the impression that any action that was being taken in India for the promotion of cottage industries was influenced either by political pressures or by religious preferences. If the orderly development of cottage industries is an integral part of the national Plans, neither political nor religious factors have weighed with the Planning Commission when the need for such development was accepted for the First and the Second Five Year Plans as no less essential than the need for achieving an increase in agricultural production. The grounds set forth are purely rational, the reasoning being such as has found favour with, — if it has not emanated from — the statistical and economic advisors of the Planning Commission. Nowhere does the Planning Commission refer to Mahatma Gandhi's views on the subject of cottage indu-

stries. If fundamentally his line of thinking coincides with that of the planners and their advisors, that is no justification for suggesting that sentimental attachment to the Gandhian programme affected decisions on economic policy now given a concrete shape in our planned programme.

Even more unfounded is the reference to religious preferences, not at one place but twice,— in the matter of industrial progress. Religion has had nothing to do with industrial development in India, nor do religious prejudices count in the choice of consumers' goods such as, for instance, cloth or polished rice or hydrogenated oil. If any preference is shown, it is because of economic considerations or of views held about comparative nutritive values. If before the growth of indigenous sugar mills or soap factories there was some prejudice about mill sugar or soap it was due to the impression that in the process of manufacture animal matter was used. With the development of Swadeshi enterprise, the processes of manufacture can be seen and understood and the prejudices are a thing of the past. That they should have been referred to in the course of a serious study of India's present economic development is indeed amazing.

Lastly, Prof. Galbraith refers to the curbs on factory production. No such curbs are in operation today, except in respect of some varieties of mill cloth such as sarees and dhoties. That the production of cotton textile mills has gone up considerably since the limitations were imposed about the time the First Five Year Plan was



formulated, indicates that the industry has had no reason to complain of its productive capacity remaining unutilized. In fact, the complaint today is of a glut in the cloth market. Till now, there are no prohibitory orders banning the starting of rice mills or oil mills; as it is, the productive capacity of the two types of factories is in the aggregate more than adequate for the milling of all the paddy that is available for processing or all the oil seeds that are offered for crushing. How restraints on factory production have affected the country's economy it is difficult to appreciate.

If restraints are thought of, there are two considerations that weigh with the

planning authorities. The first is the larger employment afforded by the cottage industries, a factor of importance, when viewed in the context of the growth of unemployment in the country. Secondly, with the emphasis placed on the development of producers' goods industries, on agriculture and on education and health, there is scarcity of resources. For the increased production of consumers' goods, the planning authorities have hence every justification for favouring cottage industries since they are labour-intensive and since they do not involve any drain on foreign exchange or on scarce resources such as oil, coal, iron and steel.

—Vaikunth L. Mehta.

## LIMITED MARKET FOR COMMERCIAL KHADI

*Acharya J. B. Kripalani writes :*

"In the September issue of your valuable journal I have read with interest the note by the Editor upon what I wrote in answer to a criticism of the Gandhi Ashram decision to suspend, for the time being, the manufacture of Ambar Charkhas. I am sorry I could not carry conviction. I have no intention to prolong the controversy. But I cannot refrain from giving an instance of a little loose thinking indulged in the note. I had said : 'Khadi can spread only in a limited way even as solvent of our colossal unemployment *unless Government are willing to help it in the spirit in which it was conceived by the Father of the Nation not in terms of conventional economic terms but in human terms*' (Mark the Italics).

As an answer to this the note says : "We do not accept the premise advanced by Acharya Kripalani. If Khadi cannot provide effective solution to the colossal unemployment and under-employment problem in the countryside,

Khadi loses much of its appeal to the country..".

My contention is not Khadi cannot be a solvent of unemployment or underemployment. But that it cannot be that unless "Governments are willing to help . . . . . not in conventional economic terms but in human terms".

I have yet the hardihood to stick to this opinion of mine based upon experience. The conventional terms in which Khadi is conceived by the Government are that production through mills and power-looms will continue as before and Khadi must ultimately be able to stand its own, in competition. I hold that even with the Ambar Charkha or an improved variety of the same used to produce yarn, it will not be possible for Khadi to compete with mill and power-loom cloth. This is not only true of Khadi but of many village industries. For instance, hand-pounded rice can never compete with mill-pounded rice. It is because of this conviction that Bapu in the thirties proposed to



the mill owners that they should refrain from manufacturing cloth of 15 counts and less and leave this field for Khadi free. This proposal was not accepted. Then Bapu's idea was that as Khadi production and sales advanced, the mills must be allowed to fade away. There must be no addition to or renewals of mills. The cloth they produced must be produced through the Charkha and the hand-loom working in every home and every village. This was Bapu's *human approach* to the problem.

I believe that unless this approach is accepted by the Government the sale and production of what is called commercial Khadi cannot increase beyond narrow limits, as measured by the whole requirement of cloth in India. It is, therefore, that the Sarvodaya leaders have been insisting on self-sufficiency. But, as I have pointed out, this is an uphill task. It requires an army of well-trained workers imbued with the spirit of the service of the masses, an army of Jeewan-danees. So far as the slowly increasing but limited market for Khadi is concerned, it is being as fully exploited by the Gandhi Ashram as it is possible under the circumstances.

Beyond pointing out this as I have said, I have no intention to prolong the controversy".

Nor do we desire to continue this controversy. But it must be pointed out that whatever the Government or the mills do or do not do, does not in any circumstance justify confining Khadi work to narrow limits of relief activity.

So far as the Government of India is concerned, it is approaching the problem of Khadi and Village Industries from a near human point of view. Khadi is subsidised at the production, sale and consumption ends. This subsidy together with improved implements and methods of spinning should certainly result in a gradual reduction of Khadi prices. Has this happened? What have the

institutions, including the Gandhi Ashram, Meerut, done in this direction ?

Acharya Kripalani is aware that Gandhiji was earnestly in quest for an improved Charkha whose increased productivity could ensure to the handspinner a living wage for a day's honest labour. He announced the award of a prize of Rs. 1,00,000 for the invention of a Charkha which ensured a stipulated quantity of yarn production.

Ambar Charkha, it has been found, is capable of giving to a spinner family, if efficiently utilised as a family unit, a decent monthly income. The several instances of spinner families earning between Rs. 50 and Rs. 100 per month are evidence of this statement. If the Gandhi Ashram had organised its Ambar Programme with all the necessary conditions for its success, the 40,000 Charkhas distributed by it among trained spinners could have worked miracles in Uttar Pradesh and the consumption of non-khadi cloth could have been reduced considerably.

We have no doubt that the suspension of production of Ambar Charkha was decided upon in order to consolidate the work already done and to put it on a proper production footing. We said this much when we first commented on the decision of the Ashram. If this is being earnestly pursued, there should be no room either for controversy or for criticism. If the 40,000 Charkhas are brought to optimum production with the help of field and home service arrangements, the Ambar Charkha will catch on and spread with a speed that will amaze everyone.



When this happens the demand for the traditional Charkha will be confined to areas afflicted by natural calamities and / or to individuals who are otherwise incapacitated through deformity or old age. Even in distressed areas, in such a circumstance, the Ambar Charkha will be preferred to the traditional Charkha. The question is whether such a development is desirable and in course of time lead to substantial diminution in the consumption of non-Khadi cloth in rural areas. If this is a desirable consummation to which we look for, then it goes without saying that every effort must be diverted to the success of the Ambar Charkha Programme.

That most institutions are unable to provide adequate separate data for Ambar Khadi production tells its own tale. Organisational weakness should not be mixed up with ideological considerations. Mahatma Gandhi lived and worked in circumstances and in conditions fundamentally different from what they are today. Should we wait till the mills are closed down for the advancement of Khadi production? The argument only leads to a vicious circle. Our purpose is and should be to break this circle by determined work with the will to succeed.

The human aspect of any economic programme is that that programme generates in the individual as well as the community productive instincts and the urge for productive work. A mere humanitarian approach, however pure and elevating, should not be mixed up with humanity. Such activity germinates from ideas associated with philanthropy

and philanthropy is tantamount to charity. We know that such are not the ideas to which Acharya Kripalani will ever subscribe.

The omission in our comments that he points out is accidental. There is no difference of opinion when he says : "Khadi can spread only in a limited way even as solvent of our colossal unemployment, *unless the Government are willing to help it in the spirit in which it was conceived by the Father of the Nation not in terms of conventional economic but in human terms.*"

Surely the 'human terms' here means only this that adequate incentives and facilities should be provided to the unemployed millions to get into productive effort. Acharya Kripalani will not deny that these incentives and facilities are available today in reasonable measure. As Khadi production advances and local consumption of this production also advances, there will be a natural barrier against the encroachment of mill cloth in the countryside and to that extent expanding and increasing Khadi production will act as a deterrent against mill production and to that extent on the mill industry itself. If our organisation is strong and effective this desired result can be ours.

Gandhiji often reminded us that Khadi is the sun of the village solar system and the village industries are the planets which receive heat and sustenance from it and village industries come into their own and prosper. In other words, when we engage ourselves in Khadi production work, we should extend equal attention



to the development of local industries so that the two together can make for the growth of an integrated rural economic system. If we approach the problem of Khadi in this spirit, it will not only be a solvent of unemployment and under-employment in the countryside, but can create more and better employment opportunities for the hapless millions in the villages.

Moreover, – and this is very important – this will revive the old village community

consciousness with such adjustments as present-day conditions call for. This is the end of all constructive work. This work does not begin and end with Khadi production and sale. As we have said, we have no desire to prolong this controversy. But it is necessary to state over and over again that in the changed and changing times, we must approach our tasks more pragmatically. Nothing succeeds like success. **–EDITOR.**

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# NEHRU MEETS KHADI BOARD

Prime Minister Jawaharlal Nehru spent over 105 minutes with the Khadi and Village Industries Board on 5th November, 1958, when it met in the Committee Room of the External Affairs Ministry at New Delhi. This is the first time that the Prime Minister participated in a meeting of the Board since its reconstitution as an Advisory Body to the Khadi and Village Industries Commission some eighteen months ago. He was in an inquisitive mood and it appeared that he had come to inquire and not to advise.

## Inquiries

He sought detailed information on the working of the Board *vis-a-vis* the Commission, progress of Khadi production and sales, their attitude towards the use of power and improved technology in production methods of Khadi and other village industries, working of the Ambar Charkha Programme in the different States and the earnings of Ambar Spinners, the extent of subsidy involved in Khadi production and sales, how the different Khadi-Gramodyog Bhavans opened under the aegis of the Khadi Commission worked and the steps taken towards co-operativisation.

He also wanted to know the effect of the subsidies on the schemes of development, whether they could be gradually brought down, and if Khadi prices could be reduced to make it more competitive.

In his inquiry, the Prime Minister did not leave out any aspect of the schemes for the development of Khadi and Village Industries. The questions he asked and the kind of information he sought showed that not only was he fully posted with reports submitted by the Khadi Commission to him and to the Government of India, but his keen interest in their promotion as well.

## Chairman's Report

Shri Vaikunth L. Mehta, Chairman of the Board and the Commission, apprised the Prime Minister of the facts relating each one of his inquiry. He told him about the structure of the Khadi Commission and the relations with the Board. He said that, though under the Statute the Board was only an advisory body, in practice a convention had been established by which the Commission functioned as the Executive Committee of the Board. No difference was made in the allocation of responsibilities between the members of the Board and the Commission and members of the Board were in executive charge of industries schemes or associated with surveys and inquiries.

Regarding progress of the Khadi schemes, Shri Mehta told the Prime Minister that since the former All India Khadi and Village Industries Board took over, Khadi production had increased eight to ten fold. Sales, too, had risen in like proportion.



Employment in the traditional Khadi industry had risen to some 12 lakhs and quality of production had improved.

During the last two years or so, emphasis had been on the Ambar Charkha Programme. The Government of India had allocated the production of 300 million yards of Khadi through the Ambar Charkha Programme as part of the common national textile production programme. Experience in the field during the last two years had brought out certain inadequacies of organisation and the machinery for the execution of the programme. This had led to a slowing down of the programme in its production aspects.

### **Ambar Programme**

Even so, the progress registered in the implementation of various aspects of the programme had been very satisfactory and in the short period of two years nearly two lakhs of spinners, weavers and others had found remunerative employment under the programme. While there were numerous instances of Ambar spinners earning Rs.50 to Rs.100 and over in different parts of the country, the average earnings were Rs.7 to Rs. 68 in Bihar, Rs. 40 in Rajasthan and Rs. 45 in Madras. For obvious reasons earnings were low in the initial stages as productive capacity of the spinners was low. With experience, improvement in the spinner's productivity was visible generally throughout the country.

### **Traditional Charkha**

The earlier hopes that, with the Ambar Charkhas going into production, the demand for the traditional spinning wheel

would fall had not been found true. There was, on the contrary, continued demand for these wheels as production figures for handspun yarn and Khadi showed. Hopes about a possible reduction of Khadi prices had also not been realised, though the Khadi Commission still believed that, as more and more Ambar Charkhas came into the field and those already in operation increased their production, some reduction would become possible in a reasonable time.

### **Subsidies**

On the question of subsidies, Shri Mehta told the Prime Minister that the incidence was about 30 per cent or so of which about 18 per cent represented a rebate to consumers. The aids extended by the Union Government had created a momentum and brought assurance to the rural workers, which were great gains viewed from the point of view of economic and social welfare and progress. Every effort should be made to sustain these and allow them to create conditions for the development of productive activities in the countryside. The Khadi Board was now engaged in an examination of this question of subsidies and a Committee had been appointed to go into the whole question.

### **New Techniques**

On the question of adapting new techniques to village industries, the Board had not lagged behind. The problems of these industries were under constant investigation. So far as these related to the Ambar Charkha,



considerable progress had been made with the active assistance and cooperation of the Sarva Seva Sangh and the ATIRA. A new composite unit had been devised and it had been found to be efficient and cost less. Efforts were in progress to introduce these among spinners. The Commission had a Technical Research Institute with production units attached to it at Maganwadi, Wardha. This Institute was at present engaged in intensive studies of adapting new techniques to the instruments and operation of village industries and encouraging results had been obtained in several of them.

### Use Of Power

The Commission, Shri Mehta said, was alive to the needs of these industries for their development. A Committee of the Board was currently engaged in formulating principles which should inform and govern use of power in village industries. In addition the Board had taken steps for evaluation of the progress of the schemes in the States. An evaluation report on the working of the Khadi Commission's Intensive Area Schemes had already been made available.

### The Emporia

Reporting on the working of the Khadi Gramodyog Bhavans, Shri Mehta pointed out that the Bhavans in Madras, Calcutta and Bangalore had just come into existence. They had however, attracted new custom and had acted as incentives to better production and better sales organisation. The coming of these Bhavans had not in any way affected the sales in the old bhandars. The Bhavans in

Bombay and New Delhi which were established earlier had shown sizable progress and sales of Khadi had gone up beyond expectations.

### Co-operatives

Shri Mehta also told the Prime Minister about the steps taken for the organisation of co-operatives and the progress made so far. There were, he said, 279 Khadi societies, while progress in some of the village industries was phenomenal. The Khadi Commission had a special department attending to this aspect of its programmes and was guided by an Advisory Committee of experts. Steps were also being taken to coordinate activities in this direction with the State Governments.

Thus, to every inquiry made by the Prime Minister, Shri Mehta provided comprehensive information.

He, however, added that progress had not been as uniform and as spectacular in the village industries as in Khadi. He explained why this could not be so. Here he pointed out the impediments to their development and welcomed the steps taken by the Government of India in regard to the handpounding of rice and village oil industries. A similar approach to the problems of other village industries would provide the necessary incentives and encouragement for their rapid improvement.

### Allocation Of Funds

Before concluding his report to the Prime Minister, Shri Mehta referred to the apprehensions that allocation



of funds to the development of Khadi and village industries might undergo drastic cuts. This would be unfortunate. The Khadi Commission's schemes were now gathering momentum and had generated enthusiasm in the countryside. These should be sustained and promoted in the interest of the national economy and social welfare of the people. It might be possible, however, to economise on schemes which had not shown reasonable progress and the Khadi Board and Commission would examine these possibilities. "We can give the assurance", Shri Mehta concluded, "that, for all sums that are placed at the Commission's disposal, we shall be able to show results commensurate with the expenditure, in the shape of additional produce and fuller or additional employment".

### **Nehru's Reaction**

The Prime Minister who was listening to Shri Mehta's report with keen interest, expressed satisfaction and said: "I am happy to observe the progress made in the field of Khadi and village industries in recent years. The Khadi and Village Industries Commission has been doing creditable work in this direction. In the conditions in which India is placed today, these industries are useful and help the development of our rural economy. I wish the endeavours of the Commission all success."

The Prime Minister who joined the deliberations of the Board at 5 p. m. stayed with it till 6-45 p. m. He was accompanied by Shri Lal Bahadur Shastri, Union Minister for Commerce and Industry, Shri Gulzarilal

Nanda, Minister for Planning and Labour, Shri S. K. Dey, Minister for Community Development, and Shri U. N. Dhebar, Congress President.

Welcoming the Prime Minister, Shri Vaikunth Mehta said :

### **Welcome Speech**

"It is a little over a year and a half since we had the privilege of welcoming you at the last meeting of the old All-India Khadi and Village Industries Board. That Board has been reconstituted and it is to a meeting of the reconstituted Board we are welcoming you here to-day. All the members of the old Board continue to be on this Board, and we have acquired a few new colleagues. Although, statutorily the Board is merely an Advisory Body, during the last eighteen months the convention has been established that the Commission of five functions as the Board's executive. We make no distinction between members of the one body and the other in the assignment or assumption of responsibility for field work.

### **Our Report**

A full report of the work of the Commission for the first year has been furnished to the Ministry and in due course, this will be submitted to Parliament along with our statement of accounts. I have ventured to send to you a broad summary of the first annual report. My colleagues and I will feel grateful if you will, on this occasion, let us have your comments on the progress of work - your impressions of the record that has been presented to you and to your



colleagues who are present here to-day.

### **Ambar Schemes**

Although the Report naturally deals with all aspects of our work, I should like to mention here that it is the Ambar Charkha Programme that has, during the past two or three years, principally engaged the attention of the Commission. Pursuant to your wishes, the Commerce Ministry have from time to time called for periodical surveys, and at various levels discussions have taken place on the results of the surveys. Along with some of my colleagues, early in January, I was asked to meet the Deputy Chairman of the Planning Commission and some of his colleagues as also the Ministers in-charge. The programme for 1958-59 was approved after this meeting.

### **Hyderabad Demonstration**

In the last week of October, taking advantage of your visit to Hyderabad, the Hyderabad Khadi Samiti, in collaboration with the Commission, arranged a mass spinning demonstration, where nearly fifteen hundred women plied the Ambar Charkha with skill and efficiency. The demonstration was unique, but I refer to it as I wish to mention that in some rural areas in parts of Rajasthan and of Bihar the response that this programme has evoked is equally gratifying. It is not only from the point of numbers that are attracted that I hazard this view, but because of the zeal and diligence shown in plying the Ambar Charkha regularly, as a means of securing an income. The Commission expects that, as a result of the steps that it has taken in

recent months, efficiency and quality will improve and the number of Charkhas that remain only partially worked will go down.

### **Improvements**

In March last, you were pleased to visit a modest demonstration of the development of technical improvements in the Ambar Charkha that the Commission had organized in collaboration with the Sarva Seva Sangh. We have taken action, after consulting competent expert opinion, to introduce some of the minor adjustments that have been approved. A combined Charkha with Belni has been designed and it will now be introduced, after the necessary training facilities are provided. The introduction of this one-unit set will reduce the initial outlay without adversely affecting the output. Further improvements are under examination, and the Commission is indebted to the Sarva Seva Sangh and A. T. I. R. A. for the guidance they have given in this direction.

### **Traditional Charkha**

The Commission shares the commonly expressed view that, in course of time, the Ambar Charkha will replace the traditional Charkha. Considering, however, the wide disparity that subsists in the cost of the two and in the time taken by spinners in getting trained in spinning, the process will have to be spread over a number of years. Involving as the introduction of the Ambar Charkha does a large outlay both on the outfit and on the training, experience during the past



two years shows that there are limitations to the expansion of the programme. In the meanwhile, the demand for provision of work on the traditional spinning wheel has not diminished. The economic need is insistent in some parts of the country. Hence the Commission has found it almost impossible to curtail the facilities for the expansion of hand spinning, especially to deny its benefit in areas where the need for relief is urgent. When work is once undertaken in response to such demands, it has to be continued and hand spinning developed as a part of the local economy.

### **Not Uniform**

Our success in the development of other village industries has not been uniform. In case the plan outlay is reduced, it may be necessary to slow down the pace of development in some of the schemes which have not yielded results commensurate with the expenditure incurred. There are, however, two parts of our plans which are linked up with a Common Production Programme such as has found favour with the Planning Commission and with the Central Government. Earlier this year, Parliament enacted legislation to regulate the working of rice mills in accordance with a recommendation in that behalf contained in the Planning Commission's Report. A similar move to place restriction on any increase of production by oil mills is also favoured in the report. The corollary to this is the development of the corresponding village industries. The Commission trusts that adequate finance

will continue to be made available for these two parts of programme. I may mention here that in the Commission's view it will be desirable to impose a condition that polishing rice should not exceed 5 per cent in order the better to conserve the food resources of the country.

### **Training And Research**

Lastly, I should like to say a few words about training and research. We have several full-fledged training centres spread all over the country, providing facilities for the training of workers in Khadi and other village industries. Some of these cater especially to the requirements of the Community Development Ministry. Besides, we have arrangements for the training of artisans in all the industries falling within the purview of the Commission. These arrangements are now being systematized. For research, we have the Central Institute at Wardha where we now have a well-equipped laboratory and a workshop.

### **Aid From ATIRA**

As I have mentioned earlier we get valuable aid in this respect from the Sarva Seva Sangh and bodies like A. T. I. R. A. Recently, we have sanctioned research in the nutritive value and the preservation of Neera. We are also formulating principles on which, consistent with our social objectives, the Commission can approve of the use of power for processes ancillary to or involved in the industries it seeks to develop. I mention all this to show that we are alive to the need for research, investigation, improvement and adaptation that are necessary to enable us to serve



the community, better and better.

### Assurance

Earlier, I referred incidentally to the resources available for the financing of our programme. This has, in most of the sectors, gathered a momentum, full advantage of which should, we submit, be taken in the broader interests of national economy. We can give the assurance that for all sums that are placed at the Commission's disposal we shall be able to show results commensurate with the expenditure in the shape of additional produce and fuller or additional employment."

### Nehru's Speech

Prime Minister Jawaharlal Nehru then addressed the Board. He said: "From the reports from various quarters it is obvious that this Ambar Charkha programme has proved its utility to a large extent and it is growing and will grow among a fairly considerable number of people. I know that the Khadi Commission that exists in India today has such a programme which is of great use and should be pushed and at the same time, of course, the people should be trained in its technique and processes. We need not at present worry ourselves about the future set up which may not allow this type of thing to function with any measure of success.

Now, we are always thinking, and rightly, that we should not take any step which leads to possible unemployment. In the Western industrialised communities, there is a vast use of power, machines and

new techniques and yet there is no unemployment. There is considerable activity. In spite of using high powered machines and latest techniques and devices, yet they have full employment. Is there a conflict between the two ideas? But how they achieved this progress? In all their activities they create something, some goods. To think, therefore, that labour-saving devices and machines create unemployment is not correct. They may create some unemployment in the short run, but in the long run they create employment and not unemployment.

What is happening in other countries? I do not think that we should copy any body but there are certain things which we can see for ourselves. For example, we are planning here; we should plan not for five years but for 25 years. That is perspective planning. It is a way to greater wealth production and greater employment.

### A Good Programme

Now, if the Ambar Charkha Programme today required 32 per cent subsidy, where does the subsidy come from? It comes from other productive sources obviously! Something else has to provide it and, therefore, it is dependent on other activities and other productive processes in the country. Now it is perfectly justifiable, because you are creating something out of nothing which makes an addition to the wealth of the nation. I would like every person in India to produce something, instead of producing nothing and I think it is a very good programme. But we have to see the direction in which the country grows and if we have to



make a choice, the choice will be whether to stop the country growing in that direction or we should use more and more of power or not use power and utilise the manpower in the best way we can. That is the question always.

### **Employment Through Machines**

If we analyse the growth of industrialisation, it gives us the idea that it is based on the use of more and more power, i. e., machines doing the work of hundreds, thousands and ten thousands. Look at the way the machines are doing the work. As I said, one positive achievement of machines in the Western countries has been to create more employment and whether it is a communist country or a capitalist country, in both they have achieved employment, of course they have cycles—(the business cycles) when unemployment occurs. Now we are also thinking in terms of industrialisation.

Industrialisation does not consist of textile mills; it consists of power, of iron and steel, of fertilisers. Once these giants grow, they keep on growing, make one machine and then another and so on. Perhaps, mostly in Punjab, even in a room or two, there are machines. If you go to Okhla Industrial Estate, you will find hundred or more industries with the machines functioning. As more small and cheap machines are available, the standard goes up, employment goes up. A situation may arise, not in my generation, but perhaps later when there is actually an acute shortage of manpower.

Our present problem is of unemployment; but in most industrialised commu-

nities of the West there is shortage of manpower. Here is West Germany where they have had one crore of refugees—as many as we had in India and Pakistan with the difference that we have settled sixty to seventy lakhs and there has been one way traffic in Germany. It is a small country, smaller than most of our States and, therefore, they do not have adequate manpower. To us it may appear to be a curious thing that in industrialised communities, work increases tremendously in spite of machines. If that thing has to happen here, then it becomes progressively more dangerous not to use power. That is my point.

Now one important thing which is drawing our attention is taking place in China. There is the People's Government of China. What are they doing? Of course, it is compulsion there, it is force; but apart from compulsion, what are they doing? They are increasing production by 60 to 70 per cent a year. It is a tremendous increase and there is evidence that they have done it. They use compost; they use night-soil; they use everything; they do not waste anything; they have got fertilisers and so many other things. The rice cultivation is growing enormously and this year there is another 60 to 70 per cent increase in this. This is astonishing. There is simple farming machinery that they have. They have not got tractors, but there it is the joint farming. They take over hundred or thousand acres of land. There is manpower and they use it. They have gone in fact very much farther than



the Soviet Union. They have established a communist regime there.

Under the Chinese Government they have started co-operatives — the small cooperatives which were converted into bigger co-operatives and still bigger co-operatives — the communes — for the whole area. That is, the whole village has one kitchen; they eat together. Our social system will not permit this. They all work together in the field. Whatever comes, it is the property of every one. There is a kitchen or two kitchens. They all get up in the morning and they eat together, go to the farm together, except very old men and women. Of whatever is produced, I think 50 per cent is deducted for food and 50 per cent is given to them on the basis of their earnings, according to their labour. The idea, of course, is payment according to needs but they are paying according to needs 50 per cent and 50 per cent according to labour. Whether this is a good procedure or not, I cannot say. The strain on the people will be great. But there it is a military regime. I am pointing out these things to you because now China is drawing the attention of the world, but more so of countries like India, which has a great influence on our thinking.

Let us look at it in another way. They have small petty irrigation and power

works. They are concentrating on them. They are making iron and steel in cottage industries. It is a decentralised way of production on a tremendous scale. Hundreds and thousands of small irrigation works. hundreds and thousands of furnance in the village, all decentralised cottage industries—they have started. Actually, this year they have exported about two million tons of rice to the Soviet Union. They have flooded the markets with cheap goods, all kinds of goods, consumer goods. But, then, how? You cannot get these goods in China itself. People there are feeling shortage of goods. They have to pay a heavy price. Half the production is sent to Hong Kong and other places. But all these things can happen in a semi-military regime. So all these problems will greatly affect us. We see a certain type of changes there. We need not see their evil side, but let us see the good side. That is the thing.

#### **Vital Approach**

Well, coming back to the present India, as I said, the problem that we have to face cannot be solved by one single approach. There have to be approaches in all directions and one of the important and vital approach at present is the one that your Commission is undertaking because you have filled vacuum and will continue to do so for a considerable time. Therefore, I wish you all success for the work you are doing."



## SYMPOSIUM ON MAHATMA GANDHI

The Khadigram Literary and Cultural Association celebrated Charkha Jayanti on October 2 in Bombay. As part of the variety programme on the occasion, a Symposium on Mahatma Gandhi and his ideas was held. Seven members of the staff of the Khadi and Village Industries Commission participated in the Symposium. The text of the papers read by the participants is given below :

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### GANDHIJI-PROPHET OF PEACE

**Shri Sudhindra Verma :** Gandhiji has already secured a place of eminence amongst the galaxy of the messengers of peace who have illumined the earth. In this age of sputniks and atom bombs; the enthralled humanity finds solace in his message of peace and of the brotherhood of man. Along with his peaceful satyagraha to secure human rights for the down-trodden, the oppressed and the exploited sections of society, he not only created a bulwark of human feelings and sentiments against all forms of exploitation, oppression and injustice, but also presented to the world an inimitable weapon of non-violence and soul force to resist war and violence.

He had twice proved the invincibility of his weapon during his life time in Africa and India. When he pitted his fragile frame which sheltered an indomitable spirit, against the mighty arms of General Smuts in South Africa, he knew he would make him kneel before him. And the doughty

General had to admit defeat ! Once again Gandhiji's soldiers of peace, though the expression sounds paradoxical, bearded the British lion in its own den in India. The lion had to slink away.

His experiments with this weapon of peace had taught him not to pit violence against violence as that would only lead to greater blood-shed. Violence and war he considered to be beastly. Differences between peoples were caused by differences in outlook and could easily be settled by exchange of thoughts and conversion through argument, which he called 'change of heart'. Even the bitterest enemies could be brought together in this way and all animosity could be rooted out from the world. Human hearts can thus be converted easily and all talk of war ended. Such was the firm faith of Bapu in his methods of peace and non-violence.

His faith in love and Ahimsa was deep. He says : "If we are to reach real peace in this world and if we are to carry a real



war against war, we shall have to begin with the education of children. We shall then go from love to love and peace to peace until at last all the corners of the world are covered with them".

Truth and non-violence were the very bed-rock of his faith. He could not brook Himsa or violence in any shape or form at any juncture. At the zenith of non-cooperation movement, when incidents involving violence on behalf of Congress workers were reported to him from Chawri Chaura, he, like the Marshal of Peace, called a halt much to the chagrin of his co-workers. But he stood firm like a rock and unhesitatingly withdrew his soldiers from the field. He thus saved the nation from a great disaster.

"Hatred even kills," he used to say while 'Love never dies.' Such is the vast difference between the two. What is obtained by love is retained for all time. What is obtained by hatred, proves a burden in reality, for, it increases hatred. The duty of a human being is to diminish hatred and to promote love."

He considered love to be a living emblem of God. He said : "When the mind is filled completely with His spirit one cannot harbour illwill or hatred towards anyone and reciprocally the enemy will shed his enmity and become a friend. It is not my claim that I have always succeeded in converting enemies into friends, but in numerous cases, it has been my experience that, when the mind is filled with His Peace, all hatred ceased."

I had a personal experience of Gandhiji's firm faith in this postulate. I was a student

in the matriculation class then and had non-cooperated from my school along with 300 other fellow pupils. I had been for some years a rank revolutionary with firm faith in the might of the revolver. I was a leader of a band of students who had beaten the police and destroyed railway property under great provokation from the police and railway people. But when I was sent to meet Gandhiji as a leader of a delegation of students at Saraswati Pathshala where he was staying at that time, I was amazed to see the halo of peace and love that illumined his countenance. He seemed to pervade the very inner recesses of my heart with love and benign kindness. I saw the depth of the Pacific Ocean in those small but keen eyes of the Godly figure that sat before me and I seemed to be possessed with an irresistible spirit of love and peace.

Affectionately but firmly he chided us for our misbehaviour of the previous evening which involved an element of rowdiness and violence. I could not restrain myself and protested rather rudely against it and tried to justify our action. But Gandhiji remained unperturbed at my rudeness and with sweetness and serenity wrote large on his glorious countenance. He patted me on the back and said: Don't be angry my child. You are a mere boy yet. Let us understand the thing first and you will realise the folly of your violent conduct. You cannot pit hatred against hatred and violence against the oppressor. You will never win him over to you. You would magnify



several-fold those feelings of hatred and violence between you.

At the same time, I do not advise you to submit to oppression. Nay, I would ask you to oppose it to the death instead. But in your opposition you should not harm the oppressor. You should try to convert him by your insistence on truth and the justice of your cause even to the point of death. You must win over his sympathies and make him your friend. That will be your real victory. Violence, instead, would lead to greater violence and the man with the heavier weapons, in spite

of the injustice of his course, would prevail in the end. Justice will lie trampled."

This calmed me down and I opened my heart to him. He drove away violence from my heart for ever and after some time I surrendered both my unlicensed revolvers to him. He turned the ferocious beast in me into a lamb in a moment and justified the truth of his dictum.

Really he was an apostle of love and peace and the like of him was born only in Lord Krishna in Dwaparyuga and never thereafter. (*Rendered From Hindi*)

## TECHNIQUE of SATYAGRAHA

**Shri G. Banger** : Gandhiji's most valuable contribution to the world is his technique of non-violence and Satyagraha. For the first time in the history of the world, he has shown how even an unarmed nation can fight for freedom against a formidable power through Ahimsa and with Independence. Though in the past, the technique of non-violence was adopted here and there as a means to resist organised evils, it was Gandhiji who, for the first time, enabled it to be used as a mass method to wrest freedom from the Britishers. And he proved by his deeds and actions that persuasion is more powerful and more permanently beneficial than physical coercion. "Ahimsa" according to Gandhiji "ought to soften and not to stiffen our opponent's attitude to us; it ought to strike a responsive chord in his heart".

Gandhiji from his vast experience and deep insight and having drunk deep at the fountain of our ancient heritage, realised that, in India, the application of the technique of non-violence was not only a necessity in the face of overwhelming force of our rulers, but was eminently suited to the conditions and the temperament of our people. His idea was not merely to gain freedom, but to lay an enduring edifice based on non-violence and truth in order that our independence can be of overlasting value. He visualised an India in which there is to be no scope for hatred, violence, social, religious or economic conflicts or the causes that breed prejudice and discontent. For him the technique of Ahimsa and Satyagraha is not only intended to win independence, but is meant to be extended to the sphere of the Governance of the country and thus



carry through an all round revolution so as to minimise violence and usher in a non-violent State.

Satyagraha is the weapon by which Ahimsa is applied for meeting aggression, settling conflicts and effecting political transformations. It means non-violent direct action for the vindication of truth not by the infliction of suffering on the opponent, but on one's own self, and thus converting the opponent through love, compassion and persuasion. Gandhiji believed that peace achieved through violence cannot endure long. On the contrary, the contempt and envy bred of such enforced peace, can only tend to generate further conflicts. This unfailing pursuit of honest ends by non-violent methods not only renders it possible for the conversion of the opponent to our own way of thinking, but helps to discipline our own behaviour patterns and strengthen our "soul force". Satyagraha can be only offered by the brave who have the capacity even to face death without harming the opponent. Submitting meekly to an evil force stifles one's soul, whereas suffering voluntarily the dignity for a just cause ennobles one's soul.

For this technique of Gandhiji to be effective, first and foremost, there

should be change in the behaviour of individuals, so that their collective influence could be exploited towards stabilising peace.

The world is slowly but surely trying to catch up with Gandhiji's ideals, for all along methods of violence have brought man misery and unhappiness. War can never bring a solution to the ills of the world. Peace based on Gandhiji's conception can only dawn when the world learns to eschew violence and apply Gandhiji's principles.

In the past few years, when there were conflicts in Korea, Indo-China, Egypt and recently in Lebanon, it was Gandhiji's unseen hand which was silently working wonders in bringing tranquility to these strife-torn lands, for here according to Gandhiji's ideals of non-violence troops sent by the U. N. are unarmed and they are soldiers of peace. This is an evidence as to the effectiveness of non-violence.

In the gathering gloom of modern destructive weapons, Gandhiji's ideas stand as a beacon light and their application alone can save the world from an impending disaster.

## GANDHIJI and HARIJANS

**Shri M. R. Gupta :** I am not here to throw light on the life of Gandhiji. It will mean that Gandhiji's life was in darkness when reality is that I myself may be in the dark. Gandhiji's life was such a brilliant sun which had illumined every nook and corner

of the world. It had enlightened every heart.

In the words of our President, Dr. Rajendra Prasad, it can be said that Bapu's life was the running Ganges. If anybody could not take any advantage from the



Ganges, then it was his own fault and not of the Ganges. The Ganges runs for the good of all. Who can eldogize the heavenly qualities of the Ganges and that of the sun whose warmth though it is hidden from our worldly eyes is still felt in every vein of India's life ?

On this auspicious occasion, therefore, I will not praise his qualities. I have always regarded Bapuji not a man made leader, but God made. All the good qualities of a true leader were to be found in him. He entered each and every part of the society. He thought everybody's sorrow as his own. In the Hindu society a class of people whom we now call Harijans, in the words of Gandhiji himself, have remained unhappy, miserable and down-trodden. The people of so called upper castes had always treated them very unjustly and harshly. Then how could they not be worthy of Gandhiji's benevolence. He took a vow to serve the Harijans and better their lot and put his heart and soul in the noble cause. He did not only serve the Harijans, but dedicated his whole life for their uplift.

In the year 1915 when Gandhiji returned from South Africa to India, he made a tour of the whole country to make a thorough study of the real condition of the country. From this study tour he found out one of the main causes which had put India in bondage and why she remained under the foreign domination for many centuries. And he began to devote his time to eradicate the cause of the great evil, the untouchability prevalent in the society. He though this untouch-

ability to be a great blot on the Hindu society. He realised that so long as untouchability was not banished, nothing good could be done. He felt that a society being weak in one part of her body, would not be able to retain the much-sought freedom. Therefore, Gandhiji visualised such freedom in which there should not be anything of the name of untouchability. He, therefore, preached that there was no room for untouchability in Dharma or religion. The religion which teaches untouchability is no religion, he said.

### Real Leader

I call Gandhiji the real leader, because his ideas were God given. He himself had written that the ideas which he had about untouchability were not bookish but had originated in his heart. These ideas were taking root in his heart when he was not even 11 years old. Gandhiji wrote in his autobiography that there was a sweeper named Uka who used to clean the latrine of his house. Gandhiji's mother had warned him not to touch Uka. And, so whenever he happened to touch him, he had to take immediate bath to make himself pure. But he could not understand why it was a sin to touch Uka. He was the most obedient child of his parents. Still he sometimes quarreled with them on this very issue. Untouchability was the product only of superstitious and nasty ideas of caste Hindus, he protested.

When Mahatmaji was 12 years old, his parents had settled in Porbunder. Here a Sanskrit Pandit (teacher) was engaged to teach him. He taught Gandhiji the lesson



of religion, "*Jale Vishnu Sthale Vishnu*," meaning God is omnipresent. He is in water and He is on earth. There was an old lady residing in the neighbourhood of Gandhiji who used to tell Gandhiji that whenever he was fear-stricken he should recite this *Shloka* (verse). Gandhiji often did this. But he failed to understand why when Vishnu or God was present in the souls of Harijans they should be treated as untouchables. If the *Shloka* of *Ram Raksha* could drive the ghost of fear, why could it not drive away the ghost of untouchability? Again, he wondered how God who is *Patit Pavan* i. e. purifier of the sinful, is only so in relation to caste Hindus. If he is so then He is partial and can never be the purifier of the sinful or *Patit Pavan*. And if he is really *Patit Pavan* then He is as much of Harijans as He is of caste Hindus.

Gandhiji writes further that in his family, recitation of Ramayan was done regularly. Laddha Maharaj who recited it regularly was suffering from leprosy, but he was of the firm opinion that if he recited Ramayan regularly his ailment would vanish. Gandhiji thought that if the Ramyan could heal Laddha Maharaj of his leprosy and Nishad, i. e., the boatman, could ferry Shri Ramachandra across the Ganges, the same Ramayan could not teach that it was a sin to touch a low-born. In such a circumstance it is itself a sin to think of others as untouchable, he argued.

Gandhiji always proclaimed himself Sana tani Hindu. He admitted that though he was neither a scholar of Sanskrit nor of Vedas and Shastras, he had understood the real meaning of Dharma. He emphasised

that he had understood its real and hidden meaning. There was no room for untouchability in the religion of Ram and Krishna and, if there was when that religion was unacceptable to Gandhiji. Therefore, it was quite natural for Gandhiji that he should be a lover of Harijans. He did whatever he could to ameliorate the deteriorated condition of Harijans.

Before Gandhiji, if any institution or leader thought of the bad plight of Harijans that institution was Arya Samaj and that leader was Swami Dayanand, the founder of Arya Samaj. Whatever Arya Samaj did for the uplift of Harijans, no other institution in the history of India has done. Gandhiji respected Swami Shradhanand, the accredited leader of Arya Samaj after Dayanand, very much. Gandhiji persuaded the society and the Government to give Harijans social, religious and political rights by fasting and staking his life.

To day, so many temples have flung open their doors for Harijans. Now they have equal rights to enter public places and worship gods in temples as caste Hindus have. The popular Government of the country which follows the principles laid down by Mahatmaji, has passed legislation to protect the rights of Harijans. Now nobody can prevent them from entering the public places. Not only this. Now they can enter hotels, eat and drink with caste Hindus and stay in Dharmashalas. Now they have the same social, religious and political rights as caste Hindus have.

In some cases they have more rights



than even the so-called high castes. Harijan children get free education in schools. They are provided with reading and writing material. They get scholarships for higher studies and many other facilities. They are given preference in Government services. They can contest for seats in Gram Panchayats, Municipalities State legislatures, Lok Sabha and Rajya Sabha. Who has brought about all this wonder? This is the work of Bapu who called himself the humblest Harijan and said : " I do not wish to take birth again ; but if I am reborn, then I wish that I may be born in some Harijan family so that by living with Harijans I would feel their pain and plight and thare their sorrows and sufferings and try to change their sad plight."

Harijans can never repay the debt which they owe to Gandhiji. Though he believed in caste system or the four broad divisions of Hindu society, he wanted to raze down the building of untouchability because it sheltered a great sin. He had equal respect

for the avocations of all. He did never differentiate between the work of a Harijan and that of a pleader so far as dignity of work was concerned. For him every kind of work was noble. The most outstanding quality of Gandhiji was that he said less and did more. Whatever he told others to do, he did himself.

He believed not in precepts, but in practice. He always set an example himself. He did not allow any separate treatment for Harijans in his Ashrams. He preferred to stay in Harijan colonies, among Harijans. Gandhiji was the ideal leader and he knew the real condition of the country. He identified himself with the masses. Bapu belonged to all, high and low. He was every body's Bapu and had every body's pain in his heart. This very quality gave him the title of Bapu or the Father of the Nation. Bapu was really great, Bapu is immortal. Bapu will live in our memories till water runs in the Ganges and the Jamuna, and the Sun shines over this earth.

*( Rendered From Hindi )*

## GANDHIAN

## ECONOMICS

**Kumari Priyadarshini Pillai :** In regarding Gandhiji primarily as a philosophical analyst of the social and political situation of his time, his great and significant contribution to the economic thought of the country is apt to be forgotten. The economic philosophy of Gandhi is rooted in an ethical background, though like all the economists of our time, it aims at the removal of poverty and

ensuring an adequate standard of living to the masses. It is this blending of the moral and materialistic values of life that distinguishes him from other economists. Gandhiji agrees with the classical and modern economists that the attainment of a social optimum was dependent necessarily on an economic equilibrium which in turn could be achieved only under conditions of economic equality, and economic prosperity



The ideal change, or the economic equilibrium envisaged by Gandhiji was a continuous growth, an unfoldment in terms of spirituality, a harmonious correlation of material and moral progress.

Not a mere idealist, he considered a minimum standard of living as a necessary condition for social peace and happiness, he also criticized the rampant exploitation engineered by capitalism, but unlike the historical sociologists, he stressed also the psychological explanation of exploitation. It is for this reason, for eliminating poverty through employment and manual labour that he resurrected the charkha on the economic scene in an age of scientific inventions.

The two ideals of economic prosperity and economic equality, could be secured, according to Gandhi, by an increase of wealth, and by redistribution of wealth, or, what is called in modern parlance, increased production and redistributive finance. But whereas the latter system does not take into account the special cultural and sociological foundation of our country, we can see in the Gandhian economic order, an indigenous plan, with its roots firm in the Indian soil. It is based on cottage industrialism, which embodied the spirit of humanism, justice, equality and peace.

If Gandhiji spoke of the Charkha, and village communities, it must not be thought that he was medieval or antidiluvian in his outlook. Nor is he putting the hand of the clock back. A practical idealist that he was, he has been able to diagnose the real and

deep malady of the country. Any attempt to apply western plans in our country would be like trying to fix a square peg in a round hole. As Prof. Huxley says : 'no economic reform, however intrinsically desirable, can lead to desirable changes in the individuals and the society they constitute unless it is carried through in a desirable context and by desirable methods'. In the Gandhian plan this would be decentralisation all round, production being for immediate use and not for export to distant markets.

Gandhiji considered large scale machinery as a symbol of modern civilization, and he objected to the way in which they were utilized. Like Karl Marx he believes in the dignity and sanctity of manual labour, and therefore there is no place for 'any destructive machinery in Gandhian economy' i.e. machinery which displaces labour and causes unemployment and concentration of wealth in the hands of a few. Modern economists speak of welfare of the maximum number. Welfare according to them is maxmized when the available productive resources are put to the best possible use, and any transfer of them from one use to another would lead to a loss of benefit, greater than would be compensated by the advantages of the transfer. Gandhi speaks of the same loss of benefit when he says "It is a tragedy of the first magnitude that millions have ceased to use their hands as hands. Nature is revenging herself upon us with terrible effect for this criminal waste of the gift she has bestowed upon us as human beings." He advocated



the limit to machinery where they encroached upon individuality, and recommended the spinning wheel and hand weaving, as proper solution for the problems of unemployment and poverty, and as a cure for the economic drain exercised by the large scale imports. 'Gandhiji's campaign for the development of home made cloth industry, and handicrafts is no mere fad of a romantic eager to revive the past, but a practical attempt to relieve poverty and uplift the standard of the villager.

Gandhi had no difference of opinion either with Karl Marx or Keynes, both of whom held that profits are bound to decline in the long run if there is no correlation between production and consumption. Mass production has its own limits. In order to avoid this the Gandhian economy favours localisation of production, and distribution in the same area where things are required. This would regulate the economy and the race to speed up production at any price would disappear. Decentralisation is the best, quickest and efficient way to build up the country from the bottom.

Coming to the other aspect of his economic order, whereas the modern economists lay stress on taxes and public expenditure, as a means of realising economic equality, Gandhi speaks of a trusteeship – non-violent transformation of society. Where the wealthy would give away their surpluses after meeting the requirements of a single life, or keeping them in trust for the 'have nots'. In other words there should be a

levelling down of a few rich in whose hands is centralised the bulk of the nation's wealth on the one hand, and levelling up of the semistarved naked millions on the other. The whole concept of trustee-ship is based on honesty and simplicity on the part of the trustee.

An evaluation of Gandhian principles clearly points out one basic difference from that of other theorists. Though apparently Gandhian economists and others attempt at achieving the same end, the different set of standards adopted by the two lead it along different paths. Orthodox economics has been laying undue emphasis on the values of money and material wealth to the exclusion of moral and human values. To Gandhiji, like Sismondi, economics and ethics cannot be divorced. As Russel says : "If socialism ever comes, it is beneficent if non-economic goods are valued and consciously pursued." For this purpose the reckless pursuit of wealth must be avoided. The value of an industry should be gauged less by the dividends it pays to sleeping shareholders, than by its effects on the bodies, souls and the spirits of the people employed in it.

Gandhian economics is not economics steeped in the statistics of foreign countries governed by class prejudices, or committed to imported ideologies without real assimilation of their import and significance. Gandhism is a synthetic outlook on life enabling us to see life steadily and see it whole.



Like Mathew Arnold's Goethe, Gandhi can be hailed as the physician of the ironage, who with his hand on the pulse of civilization is able to say - thou ailest here and here.

## BAPU and CHARKHA

**Shri M. P. Sharma :** A few years ago there had walked in our country an epochmaking man, capable of directing the destinies of his epoch, and mighty enough to create it. Clad in a loin cloth, walked this spirit of hope and future with non-violent leather chappals on his feet.

In a world teeming with big factories, country after country vied with each other to enslave the rest of them. He came to emancipate humanity. India already enslaved, oppressed and resourceless, was awaiting a Buddha for its deliverance.

In this predicament this man wearing a loin cloth and a walking stick in hand came forward to deliver humanity; Yarn Chakra was his weapon for this struggle of emancipation.

He had faith in the potentialities of Charkha which he thought was capable of putting a stop to the production of Lancashire and Manchester. Import of cloth from Lancashire and Manchester, he believed, was the root cause of India's miseries, whilst Charkha alone could successfully fulfil our basic need in cloth. It was a shame for the nation to depend for its cloth on others, he said.

To Bapu the spinning wheel was a symbol of "Swavalamban" To-day he is not among us, yet we are reminded of his slogan, "He who spins shall wear

Khadi he and who wears Khadi must spin". Nobody has any right to eat unless he works for it. One who depends on others for his basic needs, has no right to live. He is a corpse, though he breathes. He is a burden on others.

Not only that. He believed that spinning the Charkha promotes good health also. Mentally exhausted after the day's work, a man should have some physical work. The Charkha satisfied this need. Besides, Charkha generates the sentiments of co-operation and can be plied by everyone and everywhere. Its potentialities have been recognised by all. It generates a dignity of labour and develops an affinity with the rural masses. It is a symbol on non-violence.

Placidity, peace and patience are necessary adjuncts of any useful activity. Charkha helps to create these qualities. Gandhiji once said : "To those who want to observe "Brahamacharya" I would offer the Charkha as an aid and adjunct." Why he said so is a question. Critics may exclaim, what "Brahamacharya" has to do with the Charkha? In reply I would request them just to buy a Charkha, sit down to spin and find out for themselves if it creates the necessary placidity so essential to "Brahamacharya". The test of the pudding is in its eating and not in



the mere making of it. There are things, the real purport of which can be gauged by active practice alone. No doubt we can imagine something of their importance, but cannot know them thoroughly.

To-day we are free and working for the success of our Five Year Plan. Our aim is to provide work, bread and clothes to the exploited, oppressed and workless masses, at all cost.

In this age of technology one may have doubts about the productive capacity of Charkha, because of its slow working. May be, it produces, not as much as a mill, yet the results are far reaching. What importance has the production of mills for us? It creates factional feelings amongst the masses. It creates a monied class living in bungalows on the one hand, and a starving army of naked humanity on the other. Writing about these industrialised factories, Bapu had observed": "The present pressing problem is, how to find work and wages for the villagers." And as a solution for this problem he said : "Khadi supplies them with work, tools and a ready market for their manufactures."

Well may great industrialists dub the Ambar Charkha a chimera and a paradox, in this age of technology, but, in rejoinder, it is enough to say that whilst the entire

industrialised sector of the country has been able to provide work merely to 4 million people so far, Khadi alone was potential enough to provide employment to 6 millions of them. Whilst the enterprenuers of the industrialised sector are doing retrenchment in their factories every day, Khadi is extending and widening its arms to embrace a larger and larger number of workers.

Gandhiji had embarked on his Charkha programme after a close scrutiny of the conditions prevailing in the country. He knew that it was not the large scale industries that could deliver the goods in this respect, but it was the small industries which could provide work, bread clothes to the needy masses.

In the end I would like to emphasise that those of you who don't believe in its potentialities, may kindly come forward and work it out. Mere platitudes and shibboleths would not do. On this auspicious day of Bapu's birth let us take a vow, in accordance with his ideals, to practice what he preached, to ply the Charkha ourselves. Charkha will keep Bapu in our memory for ever. Though his mortal remains are no longer with us, Charkha will visualise his dream of "Ram Rajya" and it will bring solace and peace to his spirit in Heaven.

*(Rendered from Hindi)*

## GANDHIJI and SARVODAYA

**Shri Parulekar** : One of the most important aspects of Gandhian philosophy

and thought is the social and economic system which he visualised under Sarvodaya



order. What is Sarvodaya ? It is welfare of all. The idea of Sarvodaya may be considered to cover basic tenets of Gandhiji's philosophy towards society and the nation.

Let us now discuss the basic tenets of Sarvodaya ideal. It visualises extension of cooperative order and philosophy to the domain of political economic and social relations. The importance of co-operation in the political and economic spheres is well understood in these days. But Co-operation can also be used as a very powerful instrument for the social uplift of the country. Secondly, the new social and economic order should only be evolved through non-violent methods. This was naturally a consequence of the struggle which Gandhiji waged against alien rule through the methods of non-violence. Thirdly, it also visualises the extension of the principle of decentralisation to political, social and economic order. Grampanchayats, at the village levels, district board and such other measures will be the basis for the political administration of the country. In case of social and economic order, it seeks to evolve an essentially decentralised society in village life. It emphasises the importance of cottage industries in the economy of the nation. As it is, cottage and hand industries are accorded an important place in the programme of industrial development under the Second Five Year Plan. The most important principle was to hold industries and other utilities as trustees of the society. All benefits arising out of such industries and utilities should accrue to

the society as a whole and not to the profit motivated private enterprise. Gandhiji's concept of Trusteeship wanted the Weekly classes to consider themselves as mere trustees of their wealth. The new order visualised should take its shape through peaceful means and without the use of force.

Let us now imagine the structure of the various spheres, economic, social and political as visualised by Gandhiji in his new order. In economic sphere, decentralisation of industries would take a prominent place and through the organisation of smaller units of production, the benefits will be shared by the Community as a whole. Cottage industries will be given sufficient encouragement and assistance, financial as well as technical and they are bound to play a prominent part in the economy of the country. Agriculture and its development by all means is a necessity. At present, the country is facing the crisis in food problem and we are far behind the mark of self-sufficiency in our food requirements. Holdings in India are very small and fragmented. The holdings must be very large to be profitable. The only practical way visualised by Sarvodaya ideal to enlarge the holding is through Co-operative farming. The new order will always strive for the equality of opportunity to all.

In the society, more attention will be provided to downtrodden people. The welfare of the commodities should be achieved through the adoption of the principles of cooperation. Every effort will be made to prevent the existing barriers.



between the castes and communities. Social justice and all amenities towards the welfare of labour class will be provided. All efforts to eradicate illiteracy will be made.

In the political sphere, decentralisation of administration apparatus will be aimed at. Thus, parties not in power will also have a due share in lower administrative office. Grampanchayats and their development towards achieving the welfare of the village communities is an essential part of the programme. Elections at all ends will decide the respective representatives. Thus, in the political sphere, planning at the lower level pointing upwards will be the main aim.

This philosophy was formulated by Gandhiji mainly due to his appraisal of the conditions, political, social and economic

that were existing during his times. Thus the struggle which he waged against the British rule, poverty of the teeming millions, the great inequality in incomes and wealth, corruption and nepotism led a strong way towards, the Sarvodaya philosophy. His main emphasis was on spiritual background for social economic, and political development. He desired to avoid all social ills arising as a result of urbanisation or industrialisation such as drinking, gambling, prostitution etc. In his opinion, India should not imitate foreign patterns.

Vinobaji has now added to the Sarvodaya ideals the most revolutionary ideas of Bhoodan, Gramdan, Sampattidan etc. Voluntary, surrender of land as conceived in Bhoodan movement can assist in solving the problem of unequal land distribution in the country.

## NON-VIOLENCE and GANDHIJI

**Shri A. Bherwani :** Human history is full of many revolutions, which have changed the values and modes of life. Human beings started with small groups in caves – living by hunting. Then came the age of tools and agriculture. Bigger groups were formed and villages were built. The strong village panchayat head in village found its projection as baron, lord, zamindar, war lord and king. "Might is right" theory came in its full play. Wars were welcome. Men liked to fight ruthlessly to be heroes to win women, money and fame. The mighty kings and barons exploited the general masses to their

utmost. This exploitation was not confined to the territories of a country but it became international gangsterism. Countries were captured by force and empires were built. This violent condition of society had its reaction. Then came Religious Movements in various parts of the world under different shades, though basically the same-Hinduism and Buddhism in India-Confucianism, and Taotism in China and Japan, -Christianity in Europe and Islam in Arabia etc., teaching human beings to love their neighbour and prescribing a conduct of life. The religions did play their role for some period and



there was some peace. In the peace times arts and sciences made some progress. The exploitation of the people was somewhat lessened.

But after some time these very religions deteriorated into various sects and gave birth to religious intolerance and a number of battles were fought between the followers of different religions. The religious heads again played the same game of kings and barons of exploiting the people.

This brought forth the uprising of peoples and various democratic movements came into being. The democratic leaders tried to educate the masses and values and beliefs of life were reconsidered and reshaped.

The people were organised, politics became the most inspiring instrument of the leaders of the people to remodel the society. And this brought the Industrial and French Revolutions longing for liberty, equality and fraternity. French Revolution was hailed by the labourers and the peasants and the social thinkers throughout the world as a vision of the kingdom of God on earth.

But the man's spiritual and physical needs remained unfulfilled. Capitalism and imperialism showed their black faces. To counteract these demons another force came into being which Karl Marx enunciated as Communism. The Communist Revolution in Russia envisaged "the world wide abolition of war, poverty and suffering". But after 30 years it was found that soviet State had disregarded human individua-

lity. Presence of secret police, absence of free press, mass concentration camps became the order of the day. "Police State is not withering away, on the country, every purge brings forth new groups and necessitates another purge thus making the lawless purge a permanent weapon of the dictator against the masses".

—Loius Fischer

In this background came the most valuable contribution from the country of ours — India —, the land which has ever remained the messenger of peace, which never used force to conquer and exploit any other country in the world.

Gandhiji came on the threshold and saw in the human society a ceaseless growth, an unfoldment in terms of spirituality and gave the message of non-violence. He declared "Ahimsa means the largest love, greatest charity. I must love my enemy. It includes the fearlessness."

Further he declared "I am more concerned in preventing the brutalization of human nature. I would say to my critics to enter with me into the sufferings not only of the people of India, but of those, whether engaged in the war or not, of the whole world. I cannot look at this butchering going on in the world, with indifference. I have an unchallengeable faith that it is beneath the dignity of men to resort to mutual slaughter. I have no doubt that there is a way out. In the adoption of non-violence lies the future of India and the world. It is the most harmless and yet equally effective



way of dealing with the political and economic wrongs of the downtrodden portion of humanity. I have known from early youth that non-violence is not a cloistered virtue to be practised by the individual for the peace and final salvation, but it is a rule of conduct for society if it is to live constantly with human dignity and make progress towards the attainment of peace for which it has been yearning for age past."

Gandhiji profounded the theory of non-violence explaining the building of a new social world order.

His participation in the political fight for India's freedom was the greatest human experience, and also the greatest revolution of history.

For him Charkha was an emblem of non-violence. "I stake my all on it, for every revolution of the wheel spins peace, good will and love" he very often said.

He discussed the economic conditions of India and said :

There is on the face of the earth, no other country that has the problem that India has of chronic starvation and slow death – a process of dehumanisation. The solution must, therefore, be original. In trying to find it, we must discover the cause of the tremendous tragedy. These people are starving because there is chronic starvation and slow death a process of dehumanisation. The solution must therefore, be original. In trying to find it, we must discover the cause of the tremendous tragedy. These are starving because there is chronic famine due to floods or want of rains. They have no other occupation to fall back upon. They

are therefore constantly idle. This idleness has persisted for so long that it has become a habit with them. Starvation and idleness are the normal condition of life for thousands of people. We may find remedies to prevent floods. That will take years. We may induce people to adopt better methods of cultivation. That must take still more years.

And when we have stopped inundations and have introduced among millions upto date cultivation there will still be plenty of time left with the peasants if they will only work. But these improvements will take generations. How are all the starving millions to keep the wolf from the deer meanwhile? The answer is through the spinning wheel.

It would be interesting to know, for us the workers of the Khadi and Village Industries Commission, the views of the apostle of Ahimsa regarding the importance of Khadi and Village Industries. "It is my claim that by reviving khadi and other village industries, we shall have evolved, so far, that we shall remodel national life in keeping with the ideal of simplicity and domesticity implanted in the bosom of the masses. We will not then be dragged into an imperialism which is built upon exploitation of a giddy materialistic civilization, protected by naval and air forces that have made peaceful living almost impossible. On the contrary, we shall then refine that imperialism into a common wealth of nations which will combine, if they do, for the purpose of giving their best to the world and of protecting not by brute force but by self suffering, the weaker nations or



racess of the earth. Such a transformation can come only after the complete success of the spinning wheel. India can become fit for delivering such a message when she has become proof against temptation and therefore attacks from outside by becoming self-contained regarding her chief needs—food and clothing”.

(**Young India – 29-6-1921**)

Let me hope friends, that we would rise up to the expectations of the Father of our Nation, and organise our life and

energies to fulfill his dreams in ushering in a new social order based on truth and non-violence.

To achieve such a high aim of life let us also take a vow today the 2nd October, Gandhiji's birthday, that we shall try to be Satyagrahis and ever remember and imbibe the Master's advice, “Through living the creed, in your life which must be a living sermon. The expression in one's own life presupposes great study, tremendous perseverance and through cleaning of one's self of all the impurities,”

## A CORRECTION

A review of the work of Khadi and Village Industries under the Khadi and Village Industries Commission was published in the October issue of “Khadi Gramodyog”. In the Table entitled PRODUCTION (Page 157), figures for different Village Industries for the first quarter of 1957–58 and 1958–59, were published. It is regretted that the figures in respect of Handmade Paper Industry were not correctly reproduced.

The following are the correct figures for this industry :

	<u>1st Quarter of 1957–58</u>		<u>1st Quarter of 1958–59</u>	
	Lbs.	Value (Rs.)	Lbs.	Value (Rs.)
<b>Handmade Paper</b>				
High Grade	48,315	61,005	50,876	1,25,272
Utility	1,09,923	1,07,537	1,12,560	1,08,725
Blotting	54,089	35,816	55,107	42,413
Files, cardboards etc.	1,54,423	39,741	1,55,099	72,939
<b>Total</b>	<b>3,66,750</b>	<b>2,44,099</b>	<b>3,73,642</b>	<b>3,49,349</b>



# DEVELOPMENTAL PROGRAMME IN GRAMDAN VILLAGE

( By ANNASAHEB SAHASRABUDDHE )

What should be the organisational structure for a Gramdan village? Can the present gram panchayat organisation serve the purpose? Our answer to the latter question is "No". Can the agricultural cooperative society where all the land has been pooled and vested into the society provide the organisational pattern is also a question that will have to be carefully studied. The present Co-operative Act limits the activities of a co-operative society to the economic function only, and little emphasis is laid on social and cultural activities.

We visualise a society in which every adult of a village community, irrespective of sex, is a member of its general body (Gram Sabha). Heads of the families alone should not be the determining factor. The general body would elect from amongst them an executive council of at least five including the Chairman and the Secretary. This council will be the legal representative of the Gram Samaj, and represent the village in all its affairs. The Chairman on behalf of the Gram Sabha shall act as the legal representative of the Gram Samaj. On behalf of the Gram Sabha, the Chairman shall have powers to sue and who in turn could be sued. Functional committees

would be elected from the general body for specific purposes and automatically dissolved with the completion of the job. The council and the functional committees will be chosen not by a majority vote but by the unanimity of consent. Both the executive council and the functional committees will place their problems and give a detailed report of their working month by month to the Gram Sabha. Everybody will take part in the discussion and the Gram Sabha would help formulate programmes for the future. The general body meetings and the council and the committees would themselves be of immense educational value to the growing community. The village will begin to think and plan for itself, and its members will grow in capacity to execute jobs by active participation in the functional committees and development programmes. Experts and technicians, whenever appointed, will only help the Gram Sabha in an advisory capacity to elucidate the plans and programmes and leave it to the assembly to take the decision.

Neither the Gram Panchayat act nor the Cooperative act as constituted at present serves to bring this picture into action. Either these acts will have to be amended



to suit the gramdan movement or, a separate gramdan act to help create such an organisational structure will have to come into force.

The entire land of a village will belong to the Gram Samaj (Community) and the executive council would initiate all economic development programmes. The Orissa Bhoodan act is defective and it will have to be amended to suit such an original pattern.

**Problems in Koraput:** The area of a gram panchayat, and in most cases even of a revenue village, in Koraput is too large for conveniently creating the set-up we visualise. For the kind of organisation we have in mind, small villages with a population of 200 to 250 families, living in an area of about five square miles and holding a thousand or a thousand and five hundred acres of land, would be best suited. What we have done, is that small hamlets consisting of about 25 families on an average have been treated as the Gram Samaj for which a council of five elders has been elected; periodic meetings are held and camps too have been organised Thana-wise. In these camps 50 to 100 elders have time and again got together to discuss their problems and suggest plans for future. The Adivasis are backward, they are illiterate, their economy is deplorable. It is in these periodic camps that we help them to understand and visualise the ideal of Gramdan. These camps are of an immense educational value inasmuch as the thinking progress is kindled. Larger camps are also held regionwise where 300 to 500 people assemble for general discussion and

profit by each others' experiences. Our experience regarding these camps is very encouraging and we are witnessing Adivasi leadership gradually sprout out of these. It is not lack of enthusiasm amongst the Adivasi that has slowed our progress as it is the inadequacy of the social worker to cater to their enthusiasm and diversified needs. The workers are beginning to feel this difficulty in understanding their problems and in guiding them to their entire satisfaction. The difficulties are varied :

(a) The dialect of the Adivasis varies from region to region and from tribe to tribe ;

(b) The social worker is not technically qualified to tackle the various problems facing the intergrated programme for Gramdan development ;

(c) The topography too is abnormal. The workers too are gradually learning and their capacity to deliver the goods will depend entirely on how they adjust themselves psychologically to the Adivasi environment.

**Possibilities of Development:** A thorough socio-economic survey of the Koraput District has as yet not been made. However, a general survey of potential resources in land, in minor forests and in minerals of the district has been made; over 12 lakh acres of land is under cultivation and four and a half lakhs is under shifting cultivation. The annual rainfall in the three subdivisions of the Koraput District varies from 50" to 150". Topographically too Koraput could be divided into three regions.



(1) Region lying between 500 to 1,000 feet above mean sea level ;

(2) Region lying between 1,000 to 2,000 feet above sea level ; and

(3) The region lying between 2,000 to 3,000 and more feet above sea level.

The climatic conditions are varied in these three areas. The traditional agricultural methods are crude. On the hill slopes and in the area lying in the region of over 2,000 feet instead of axe-cultivation (podu) preference should be given to horticulture and rubber and coffee plantations. If such drastic changes are to be made in the crop pattern it cannot be thought of for a few Gramdan pockets only. Scientific land utilization programme will have to be drawn at the district level after a thorough land utilization survey. The master-plan will have to be outlined, in concurrence with the government, to cover a period of 25 to 30 years. It would be futile if the Sarva Seva Sangh alone did the scientific crop-planning for the entire district without the guarantee of a follow-up programme.

There is a fairly rich forest covering 14,62,400 acres in the district. There are a few patches of protected and reserved forests from which the Adivasi is allowed to use timber for his domestic use. The forest is exploited by auctioning the timber. If the gramdan spirit has to pervade in the district as a congenial force for tackling all its diversified problems then forest labour co-operatives would have to be created for each separate panchayat. The government should make it

their policy to eliminate the contractor. It has been found from the Adivasi, in the gramdan villages that they spend half their working days in the forest, very often as wage-earners in the forest coops. Gramdan or no gramdan it is a fact that the Adivasi is being continuously exploited by the forest contractors. The government needs to change its forest policies drastically if the Gramdan movement has to function effectively and develop the forest resources.

There are rich deposits of manganese, iron, lime-stone, china clay, kinds of pigments, cement stone etc. With every additional discovery by the geological survey a more promising picture is being evolved. Due to a lack of easy means of communication it is desirable that new methods of exploiting the mineral resources through small-scale industry are found out.

The Sarva Seva Sangh, in 1956, had submitted to the State Government a scheme for a cement manufacturing plant with an annual capacity for 3,000 tons for an investment of about 6 lakhs of rupees.

Iron-smelting is being tried in a few gramdan villages and engineers at Tata Nagar and a few chemical engineers of repute have improved upon the traditional method and further experiments are being carried out, and the results are very promising.

A research laboratory is being set up by the Sarva Seva Sangh at Jeypore and two qualified chemical engineers have been working at it for the past year and a half. The laboratory was started



for research and analysis of minerals. We feel that quite a few Adivasis in the district would have work for three to four months in a year in the exploitation of mineral resources and it should add three to four hundred rupees annually to the income of the Adivasi family.

If our experiments at Jeypore fructify, a new outlet will be created to transform the living habits of the Adivasis. In 1956 the Sarva Seva Sangh on behalf of the Khadi Commission has opened four Intensive Area Schemes for gramdan villages in Koraput. No tangible success has yet been achieved and we attribute it to the fact that the primary avocation of the Adivasi is hunting and forestry, agriculture is his secondary occupation, and his occupational pattern has never had anything to do with handicrafts. For the time being we have undertaken a programme for training in spinning and weaving, carpentry, smithy, oil-pressing, and in the manufacture of soap.

The potential for agricultural development is not as encouraging as it would be found in the plains. Koraput District is mostly hilly and most of the gramdan villages are situated on the hill slopes. Paddy land in the gramdan villages is only 10% of the total cultivable land. The average agricultural income per family is about 200 to 300 rupees per year. The average per capita land available is only one acre. Water facilities are available only in the rainy season. The staple food of the Adivasi is an inferior variety of millets and

wild tubers. There are times when he has to resort to boiled tamarind seeds and mango kernel. For agricultural development we visualise a programme of planned expenditure on irrigation, soil-conservation and land reclamation to the tune of 200 to 250 rupees per family. Bullocks have all along been imported from outside the Koraput District. A major item of expenditure for a programme of agricultural development would be for bullock-distribution in the form of a medium term loan of about 200 rupees per family, crop-loan in the form of a short-term loan to the tune of about 75 rupees per family or 25 rupees per acre, for seeds, manure and advances during the agricultural season. The total expenditure in the form of short term, medium term and long term loans would come to about 400 rupees per family. The credit programme will itself cover a period of five to seven years and would be administered in the form of supervised credit. Technical advice at every stage of development will have to come from outside. It would be necessary, for the first five years, to evolve a plan to inject, annually, purchasing power worth Rs. 100 per family through land development and irrigation programmes. The quality of land is so poor that inspite of all efforts it would be difficult to raise the annual income to more than 600 rupees per family within a planned period of five to seven years.

Should we direct our attention to planning for the entire district of Koraput we would have to take into consideration areas where agriculture would



be the main source of income and areas where forestry would be the main occupation. There are areas where fertile lands and fairly good forests lie adjacent to each other. Moreover, a single plan cannot be chalked out for an agricultural programme as quality of land differs from region to region.

Even while submitting a plan to the Central Government in 1956 for gramdan villages, scattered as they are, all over the district, topographical and agricultural variety were of the foremost consideration before us.

**Objectives:** We were very clear about our objective when we decided to spend a crore of rupees within a period of ten years, in the ever expanding gramdan villages of Koraput. We hoped to help the Adivasi find his rightful place in society and to provide him with material requisite with which he may produce enough for his well-being. We had chalked out a diversified development programme to meet his social economic, cultural and educational needs. Here was a place where we thought we would demonstrate the benefits of gramdan where ownership of land would vest in society.

As a first step 5% of the total agricultural land in the village was set aside for community cultivation where the advantage not only of joint farming but also of better methods of cultivation could be demonstrated. It was on these community lands that we had hoped to cultivate the first fruits of gramdan. We visualized a society in which

not only would the total land of the village vest in the Gram-Samaj but will be co-operatively cultivated, partly collectively and partly individually to suit the crop pattern and the local circumstances.

Not only has land to be pooled together but even cattle and major agricultural tools and implements have also to be pooled in a gramdan village. Milching cattle and minor agricultural and domestic tools would however not be dumped in the common pool. Moreover, old debts too would be collectively owned and paid for from the surplus produced by the community.

Top priority in a gramdan development programme would be given to the elimination of the money-lender and the creation of an alternative agency to facilitate credit. Our second and immediate preference would be agricultural development and thirdly forestry, minor forest produce, exploitation of mineral resources and village industries.

All the children in a gramdan village will have equal opportunities for their education and the expenditure for high school and college education for a few would be borne by the community at large.

In the second five years' period, a scheme for housing and better methods of living would also be taken up.

Along with agricultural development, cattle breeding is an important item of our programme. Grasses and other fodder crops would have to be grown in shrub lands adjoining the forest.



After an experience of two years in Koraput we have come to feel that legal aid to the Tribal folk is an urgent 'felt need'. Regular money lending business is carried on by hundreds of persons in violation of the Orissa Money Lenders' Act. When the adivasi is drawn to the court the plaint is so worded and is accompanied with so many documents that even when a court feels morally convinced about the truth of the defendant's version of the case, the judgement is according to the letter of the law and in favour of the plaintiff. To release the adivasi from the complexity of law and to make him feel that he has certain fundamental rights and that the State itself shall protect him there should be a special officer to see that the acts designed for the welfare of the adivasi are being properly worked and to report their breach to the proper authority. There should also be a conciliation machinery for trying to settle all disputes outside the court exerting moral influence on the parties. If on the failure of conciliation the matter has to go to the court, there should be an advisory body to provide the adivasi with the necessary guidance and legal aid at government cost.

We have now found that the development programme is far more complex than we had visualised at the outset, and we feel that a development programme for gramdan villages cannot be worked out in isolation.

While submitting an ambitious plan with an expenditure to the tune of a crore of rupees it was thought that the

revolving capital required for developmental activity would come from the normal channels, especially the co-operative bank. We had visualised a district co-operative union for gramdan villages in Koraput, of which every gramdan village would be a member and contribute about hundred rupees as share capital. The central Gandhi Memorial Fund had earmarked Rs.2,00,000 towards the foundation for starting such a union. The Reserve Bank thought this as a very worthwhile experiment in Rural Credit and was prepared to advance forty lakhs if the State Government would approve of a District Gramdan Co-operative Union.

There was no district Cooperative Bank in Koraput and part of the district was served by the Berhampur Cooperative Bank and some areas in the Nowrangpur sub-division were served by the urban co-operative Bank at Nowrangpur. Panchayat Grain Gola Societies have newly started and their scope of activity is restricted.

From the very outset we were of the opinion that for a development programme of a magnitude of a crore of rupees, a wage-disbursing activity of about Rs. 10 lakhs would have to be supported annually by a credit distributing programme. The Sarva Seva Sangh had visualised a scheme in which the borrowing capacity in the gramdan sector in a period of ten years would be four-folded. If in a period of ten years the money-lenders have to be eliminated from the district then the Co-operative Bank would have to distribute Rs. 50 lakhs annually as short-term loan to be recovered at the harvesting season.



Unfortunately we could not persuade the Orissa State Government to approve of our plan to have a Co-operative Union at the district level for gramdan villages. After two years of persuasion and discussion we finally decided to limit our development activities to a few centres which would serve as training grounds for our workers. We have now decided to enroll all the members of the gram sabhas to the grain gola societies and to mark time until the credit activity grows into effective dimensions. Our developmental activity is now restricted in proportion and to the villages where membership to the grain gola society is speeded up.

The Chief Secretary of the Orissa State visited Koraput in the 3rd week of June, 1957, and after discussion with him we decided to reduce our developmental activities and work only in ten centres covering about 200 villages. Our principal activity in these centres has now been to persuade the adivasi in the gramdan villages to contribute five to ten rupees per head towards the share capital of the grain gola societies. It is yet too early to pronounce a verdict on the gramdan movement whether the movement has failed, or that there is no singleness of purpose amongst the workers, or that the workers are not equal to the task visualised.

Some of us feel that instead of sponsoring the development programme we should restrict ourselves to increasing the number of gramdans to cover the entire district of 6,000 villages and to confine our activity to creating a new leadership in the

gramdan villages. It is proposed that training classes be held to inspire in the new leadership the spirit of the gramdan movement. There is a feeling that the tempo of the revolution may gradually dissipate into a welfare activity. The approach of the Sarvodaya workers to the growing number of gramdans was emotional and it is but natural for them to entrust all development activity to the government.

Some others amongst us feel that the success of a revolution would depend entirely upon tangible results and upon the scientific exploitation of natural resources to their best advantage. Between these two divergent view-points, I was the connecting link. From the very beginning I had desired a synthesis of these two approaches. Only if one would feel the need of the others would such a synthesis come about. Gramdan Development in Koraput is an integrated programme for the advance of spiritual and moral values on the one hand and an increased economic activity on the other. While I was trying to synthesise the two approaches, each of these two wings was given full freedom and scope to flap according to its own strength. There has never been any central direction and much less any dictation. To an outsider the Koraput project is a spectacle of conflicting ideologies and conflicting approaches, and it would indeed appear as though there is "no singleness of purpose."

It must truly be admitted that we have committed many mistakes, and some of which, we know, are unpardonable. It is only through mistakes that we learn and



we shall feel rewarded if others treading on the same ground do not repeat our mistakes.

Shri Majgaonkar has applied three tests to a Gramdan Village: (1) A new feeling of social homogeneity must arise in a gramdan village; (2) Since gramdan means the surrender of individual ownership, the donated land must be redistributed on an equal basis; and (3) A representative body must take root in the village to solve its problems without the help of external agencies.

He is right and his tests are our objectives. If however, he feels that our objectives would fructify in the mere declaration of a village in favour of gramdan then I am afraid he has not understood the process of our revolution. In non-violent process people must first feel the need for a new set of values, they must then accept the new set of values and it will take time for the new values to germinate in society. This is the first step. Programmes, promotional and developmental activities to set the new values into action is the next step.

Gandhiji declared that he would achieve Swaraj through truth and non-violence. He preached the boycott of foreign goods and of the use of a foreign language in national assemblies. As a constructive programme for implementing boycott he revived the use of Khadi spinning and weaving and the Rashtra Prachar Samiti. He attacked 'divide and rule' policy of the government and practised Hindu-Muslim unity. He created contempt for the British law in India through civil disobedience. Satyagraha was his strongest

weapon in the implementing of his new values for achieving freedom.

Truth and non-violence continue to be our guiding principles in the gramdan revolution. We want to bring about a socio-economic change through a voluntary liquidation of private property. The individual shall relinquish his rights in land as also all other major items of property shall vest in society. Bhoodan was the first step towards this direction. Gramdan, Sampattidan and the acceptance of the ideal of trusteeship have followed very naturally and as a corollary to the voluntary liquidation of private property.

Our objective is clear and we look forward to a day when india's five and a half lakh villages will declare themselves as gramdan, the cities would be affected and large and small factories too would have to fall in line.

Do the critics of gramdan expect a complete transformation of values by the weaving of magic wand? To judge the achievements of gramdan by our limited experiences in Koraput is to brand the baby before it is born. However it would be in the fitness of things to assess the progress of the gramdan activity and set some minimum test to qualify the five thousand and odd declared gramdans as pukka gramdans. In my opinion the minimum qualification for a pukka gramdan is a fairly equitable distribution of land or at least a programme of fair distribution within a measurable period of a year or two. The village must show signs of living like a large family. Community ownership of five per cent of the total



land has always been a prerequisite for determining gramdan in Koraput. Even if 50% of the people in a gramdan village decide to accept the principle of sharing all major items of production that it should be enough to gauge the first fruits. Out of the 5,000 gramdans declared so far, it would be a measurable achievement even if five hundred or a thousand villages would qualify as pukka gramdans. Declared gramdans are sympathetically treated as potential gramdans. In my opinion all the five and a half lakh villages in India are potential gramdans. We invite our friends and critics to come out of their shells and evaluate gramdans thoroughly. We are not at all surprised at the astonishment of Rip Van Winkles.

**Pattern of Cultivation:** There are many who feel that the entire agricultural activity in a gramdan village should be collectivized. All of us do not share this

view in its entirety. Co-operation would indeed succeed if our agricultural practices are rationalized, and intensified. Co-operative farming will succeed if irrigation facilities are provided for, and prices guaranteed even before the crop pattern is chalked out. The Tribal method of cultivation is crude and our pattern for Koraput is individual co-operative farming where land will vest in the village community and co-operation will be in the form of services (Service Co-operative). More important than anything, patterns and methods in co-operation must suit the understanding capacity of the participating members.

We would not want our critics to confuse objectives with pre-requisite conditions and declare the gramdan revolution as a "total debacle" or write off gramdans as "fictitious". (*Bhoodan : 12-11-58*)

## Some Recent Publications :-

The Gur Khandsari Industry	Re. 0.25
The Story Of The Handmade Paper Industry	Rs. 1.50
A Hand Book	Re. 1.00
Wealth From Waste	Re. 1.00

Published by :

Khadi & Village Industries Commission,  
P. B. No. 482, Bombay-1.



# SEMINAR ON TRAINING EXTENSION OFFICERS

The Second Joint Seminar of the Teaching Staff in the Regional Institutions and the Mahavidyalayas was held at Khadi Gramodyog Mahavidyalaya, Krishnarajapuram, Bangalore, from 14th to 16th of September, 1958. Shri T. Mariappa, Minister of Finance, Mysore State, presided over the inaugural function of the Seminar and Shri R. R. Divakar, Chairman, Gandhi Smarak Nidhi, delivered the inaugural address. The number of delegates who attended the Seminar was 32—Regional Institutes 6, Mahavidyalayas 13, Representatives of the State Governments 6, Ministry of Community Development 4, and Khadi and Village Industries Commission 3.

## Welcome

Shri R. Srinivasan, Member of the Khadi and Village Industries Commission, who presided over the plenary sessions of the Seminar, welcomed the guests and the delegates. He said : "For the Community Development Programmes the requirement of Extension Officers (Ind.) has been estimated as 5,000. The responsibility of training these officers has been assigned by the Government of India to the Small Scale Industries Organisation and the Khadi and Village Industries Commission. Accordingly, this functionary receives training partly at the Regional Institute, and partly at the

Mahavidyalayas run by the Commission. To discuss various problems arising out of this training programme, the teaching staff at the Regional Institutes, and the Mahavidyalayas used to have their respective Seminars. But, with a view to bringing about an integrated approach in the two phases of training of these officers and to thrash out problems pertaining to the quality of personnel, method of training, examinations etc., the teaching staff from both places hold joint seminar since last year. The second joint seminar, i. e., the present one, has been organised by the Khadi and Village Industries Commission."

On behalf of the Commission, he formally welcomed all those who had accepted the invitation of the Commission and had come to participate in the Seminar.

## Inaugural Address

Inaugurating the Seminar Shri R. R. Diwakar said: "It is a very great thing for India to have achieved freedom; but I think, it is a far greater thing for India to see that freedom is used for the uplift of the country. We are humble participants in that great task. We should approach our duties and the objective for which we are working with great humility, and, at the same time, with faith. I know the value of reason, the



value of our intellects but, at the same time, I know that the value of faith is greater. Faith is a more powerful and capable instrument for action and achievement, than intellect.

The first thing that I would bring to your mind is that we should not be led away by the notion that we are backward in many ways. Let us be conscious that we have also something to be very proud of—something which is divine and vital, something which is creative. When Gandhiji was asked whether there was any instance in the whole history in the world where a nation achieved Independence by non-violence, he roared and said : ' We are writing new history '. I think we have written new history. So, let us approach the problems of raising the standard of life in our country taking new techniques and new ways for organising small industries, Khadi and other Village industries with this confidence.

The question is generally posed whether we should launch on industries of the western type or we should go ahead with khadi and village industries. I do not take these as contradictory to and destructive of each other. While planning industrialisation we should, however, take note of the social structure and the pattern of urban and rural population that we have in India as well as our traditions. Besides, Industrialisation, to the exclusion of other activities would not be possible in a set-up like that of India. There is no other way but to improve our agriculture along with all the allied industries that could be easily run in the rural

areas. Industry should be made fruitful not merely within its wherewithals and premises, but in the vast areas over which the population is scattered.

A great activity which is going on in India and which is spreading fast is that of Community Projects. Officers engaged in this work may be mostly from cities. But the city men have to integrate themselves with rural men. I have visited many Community projects and N. E. S. Blocks; I have tried to study them at close quarters and I have found whenever there is an officer who can get into the mind of the villagers, he can show results which are not merely physically measurable, but also psychologically measurable. There will be complete integration where the officer himself begins to feel that he is a villager under these circumstances.

The main problem that confronts us when we go to the villages is that of utter poverty. Next comes ignorance and then the age-old social structure. If we approach the people from the point of view of what may be called stomach, the response is quick and immediate, because that is the primary need which moves everybody. In the same way, I have seen that villagers respond to what may be called extension of education. Therefore, if a proper approach is made through productivity, through enriching the soil, through enriching the capacity of the people to get more, earn more and be able to live a better life, the response is quick and they immediately feel that they do want to take their own share in the hard task that lies ahead. We owe a great duty to the



villages. No doubt we have ourselves got education and educated ourselves to the extent possible according to our circumstances. But we cannot forget that we are standing on the shoulders of the villagers. After all is said and done, whatever we have achieved is with the willing or unwilling co-operation of the villagers or the whole of the society in which we are born, bred and educated. The essence of socialism lies in the recognition of this debt by the individual to the society and in the fact that the debt has to be paid back not merely with interest, but with compound interest. Then socialism of the best type and of the highest type can be ours in future India. With that consciousness and that determination to integrate our individual life with social life, integrate city life with the rural life, integrate industrial life with small industrialisation, the future is bright".

### Presidential Address

Shri T. Mariappa, Minister for Finance, Mysore State, addressing the Seminar said : "We have first to pay our homage to the Father of the Nation who sought to help the illiterate millions who depended on cottage industries for their livelihood. He alone tried to show us the way. Irrespective of the fact whether the people or the economists agreed with him or not, he said he would go ahead with Khadi and other village industries. It is only after 1953 we began to think about these problems on proper lines. The All India Khadi and Village Industries Board constituted by the Government of India took up the question in earnest ; they recognised

the existing occupational classes and the urgent need to give employment to them. The Karve Committee has done a great deal of service in focussing the attention of the public in regard to the need for taking a very comprehensive approach for the resuscitation of rural industries. The Second Plan also laid great emphasis on the need for encouragement of cottage, rural and home industries.

Our ancient people had a sense of proportion. Their wants were very few. Perhaps the proportion of their wants to the occupational classes suited the age in which they lived. The agriculturists depended upon those occupational classes to meet their needs. There was thus dependence. Now that we are free to shape our own destiny, now that we are planning our own future, it is for you to think on what lines we should plan for the future and assist such of them whose industries have survived. I may say that for another 20 or 25 years, till industrialisation takes a definite shape and embraces almost 50 per cent of the population, your role is vital and you have got to create a field of service. It is from that point of view that you have got to consider all the subjects that come up before you during the deliberations of the seminar.

Do not be carried away by the mere impression that the modern equipment is almost essential without which it is not possible to reconstruct or resuscitate the cottage industries. Because these classes are accustomed to the equipment that they have now, it is difficult to make them accept almost new equipment at least for



some time. You may try with their children in regard to the use of new equipment, but do not dislocate the life and methods of production of the existing artisans. Allow them to use their present equipment. Give them the necessary incentive and encouragement and capital. Also find out market for their products.

I think we have gained sufficient experience for almost five years and in the light of that experience it is possible either to remodel our policy or redraw our plans so that we could not only give full employment to those occupational classes, but also produce such goods as would put an end to the import of essential goods from foreign countries. In fact, for the Second Plan to be successful it is almost very essential that we should not import goods needed by the population. That was made abundantly clear in the Plan Frame itself. Therefore, these rural industries have a very vital bearing and they supply the needs of the people at a time when we need every pie for investment in the development of the big or capital or heavy industries. Therefore, looked at from any point of view, the role you have to play is indeed very vital. You are tackling such problems as would touch the daily lives of the people. You have to consider very sympathetically the plight of these occupational classes. Most of them have only meagre means of subsistence. Occasionally they have full employment, but whenever they have no employment they become agricultural labourers. The desire of the State Governments and the Community Development Administration is to give full employment to all these

artisans in the Community Development areas.

If the State is not prepared to give them the proper encouragement at the proper time or in other words, give them the necessary raw materials and find out proper markets for their products, what is exactly the use to them of this great freedom that we have won for the country? Take the case of the Goodikars of Mysore. They are very skilled craftsmen of a very high order; but, unless they are fully employed, it would be very difficult for their craft to survive. If you arrange to buy all their products then they themselves will create full employment for them. In some cases there may be a little difficulty for raw materials, but in most cases they are prepared to find out their own raw materials, because their crafts are intimately connected with the raw materials available round about. That is the beauty of our handicrafts.

These occupational classes once played a very vital role and they are going to play that vital role even to-day. Their case needs to be considered in a sympathetic manner. Let us not go about their upliftment in a patronising manner. You must know exactly how these occupational classes function: what is their day to day life; how the father teaches the son; how his wife helps in the work; and how skilfully they turn out beautiful things. Then you will be able to render them the proper help.

Unless you have a proper approach to these problems, you may only complicate and make matters worse when you try to



tackle them. On the other hand, if your approach is on the right line, as I have tried to explain, you would be welcomed with open arms. It is to this end that the Extension Officers (Industries) and others concerned with rural Industries development need be prepared. I am sure the seminar will take note of this".

After the inauguration, the participants in the Seminar settled down to consider the agenda before them.

The main recommendations and conclusions of the Seminar are given below :

### Syllabus

- I. (a) The synopsis of the 'Lesson Notes' prepared for the various subjects taken up at the Mahavidyalayas were generally accepted with minor amendments.
- (b) In reviewing the syllabus for the subjects covered at the Regional Institutes, certain changes were recommended.
- (c) In the light of the modifications suggested, the synopsis for the respective syllabus and the relative 'Lesson Notes' may now be finally drawn up by the Khadi and Village Industries Commission and the Development Commissioner for Small Scale Industries Board for their respective programmes in collaboration with the Ministry of Community Development.

II. At the Mahavidyalayas, besides

the coverage of the programme and pattern of financial assistance of the Handloom Board as decided at the last joint Seminar, the programmes for the Handicraft board and the Silk Board also be taken up in future. The Regional Institutes will cover the programme of the Small Scale Industries Board and the Coir Board only.

- III. (a) The subject of 'Cooperation and Marketing' particularly industrial co-operative movement, may be taken up at the Mahavidyalayas in detail. At the Regional Institutions, it may be included only to the extent related to the Small Scale Industries programme.

- (b) In dealing with 'Marketing' special lectures be arranged to emphasise the responsibility of the Community for buying products of cottage industries of their respective areas to ensure additional employment in their own enlightened self-interest. Also, the importance of the participation of Village Panchayats and other local public bodies in planning and implementation of the marketing programme be stressed.

IV. The following publications were recommended to be adopted as text books for the Extension Officer (Industries) at both the Regional Institutes and the Mahavidyalayas and between the Khadi and Village



Industries Commission and the Small Scale Industries Board :

1. Planning for Sarvodaya by Akhil Bharat Sarva Seva Sangh.
2. Report of the Working Group (Planning Commission) on Industrial Cooperative Societies.
3. Karve Committee Report on Cottage and Small Scale Industries.
4. Report of the International Team for Small Scale Industries sponsored by the Ford Foundation Organisation in India.
5. "A Hand Book" published by the Khadi and Village Industries Commission.
6. Pamphlets issued on different village industries by the Khadi and Village Industries Commission.
7. A guide to Community Development.

### **Integrated Approach**

V. The teaching staff at the Regional Institutes and the Mahavidyalayas may spare no pains to explain to their trainees that the approach to the Small Scale Industries and the Village Industries programmes is in no way contradictory to the overall Industrial Development of the country. The policy laid down in general by the Karve Committee and the same accepted by the Planning Commission should be kept in view. The recommendations of the Karve Committee were:

1. to avoid further technological unemployment such as occurs

specially in the traditional village industries,

2. to provide for as large a measure of increased employment as possible during the plan period through different village and small industries;
3. to provide the basis for the structure of an essentially decentralised society and also for progressive economic development at a fairly rapid rate.

Also, in respect of specific industrial activity where doubt may be expressed by the trainees, the policy of the Government of India be clearly explained.

### **Methodology**

VI. (a) It was noted that the indifference of trainees to their training programme which is marked among a good percentage, has been found to be mainly due to (i) incapacity; (ii) inaptitude; (iii) looking for better prospects; and (iv) a sense of security of the job.

These can be remedied by :

- (i) associating head of the training centres during the selection of those officers (some of the state governments who are still not doing so may have to be requested again for the purpose);
- (ii) it may be obligatory for the persons selected for the job of Extension Officer (Industries) to execute a bond which may include, among other things, his successful completion of the 12 months' training course at the Regional



Institute and the Mahavidyalaya and as such, he will be regularised in service by the State Government concerned only after his having obtained the pass certificate from the training he was deputed for ;

iii) for the trainees not amenable to discipline or found to be entirely indifferent to training, the head of the training centre may have the option to recommend his withdrawal to the State Government concerned on the basis of the regular report prepared for the case. In the interest of the training programme, the State Government, after receipt of such report, will take speedy action on their part.

(b) It was again emphasised that the Extension Officer ( Industries ), before being deputed for the 12 months' training at the Regional Institutes and the Mahavidyalaya, must be given field experience for at least 3/4 months in a Community Development Block. Acceptance of this recommendation by the State Government be considered imperative.

(c) With regard to the grouping of trainees in different batches, no hard and fast rules can perhaps be laid down. It will be advisable to have mixed groups consisting of persons with different educational background, field experience, aptitude, age, etc., State-wise or language groups are not desirable.

(d) The reaction of the trainees to group discussion method has been found

to be generally favourable and encouraging. In order to avoid some people monopolising the discussions and to ensure active participation of all, it is necessary that

- i) the subjects for discussion should be varied and, as far as possible, taken up in parts by small groups not exceeding ten ;
- ii) each trainee should be encouraged to take part in the discussion; and
- iii) participation of individual trainee in the group discussions should have a bearing on his final evaluation and he should be made aware of this.

### Participation Of State Governments

VII. The following recommendations were made in order to have greater participation by the State Governments in the training of Extension Officers (Industries):

- (a) Training Advisory Committee may be set up for each Mahavidyalaya and also for each Regional Institute which may have as its members some of the State officials such as
  - i) the Development Commissioner;
  - ii) the Director of Industries;
  - iii) the Registrar of Industrial Co-operative Societies, besides local members of the respective Board etc.

The head of the training centre concerned may act as the ex-officio Secretary of that Committee. These Committees be constituted by the Khadi and Village



Industries Commission and the Development Commissioner, Small Scale Industries Board for the Mahavidyalaya and the Regional Institutes respectively in consultation with the Ministry of Community Development.

(b) While recognising that some of the State Governments have been extending their co-operation in deputing their officers to the training centres for giving lectures and offering other assistance, need for greater co-operation on their part was called for, for the success of the training programme for Extension Officer (Industries) ;

(c) The Pilot Projects for industries in different States should be a subject of special study under both phases of training.

### Organisation

Among the conclusions under this head were:

VIII. (1) It was accepted that group/mass activities should constitute an integral part of the training prescribed for Extension Officer (Industries). Such activities help a great deal to prepare the mental attitude so much required for the type of work that they have to carry out in the field. While at the Mahavidyalayas such activities are already in vogue, the same, in whatever form possible, should also be initiated at the Regional Institutes.

(2) All the inmates of a training centre joining their congregation as a daily routine has a great significance. It helps to develop

a healthy social behaviour. In a residential institution group prayers should also be accepted in the same spirit, taking care that nothing offensive to anybody's sentiment is said or done.

(3) Trainees will be eligible to get casual leave upto 15 days during the 12 months of their training both at the Regional Institutes and the Mahavidyalayas as normally permissible according to the rules. It may be upto 5 days at the Regional Institutes and 10 days at the Mahavidyalayas. It is understood that leave cannot be enjoyed as a matter of right and as such granting of leave will be at the discretion of the head of the training centre who will see that adequate reasons are there to justify the leave applied for.

With regard to long leave that may have to be granted in some cases under extraordinary circumstances, the matter may be dealt with on the merits of each case separately.

### Field Training

IX. (a) It was agreed that for field training of these officers during their training period it would be necessary to actively associate the training centres with the nearby Community Development Blocks. It may be desirable if the Head of the training centre is taken as a member of the local Block Advisory Committee. Also, he may function as Chairman of the Industries Sub-Committee of the block. Without taking over administrative responsibility as such, the head of the Training Centre may be made responsible to draw up the industries programme



for the particular block or a member of nearby blocks and help in getting it implemented by associating the Extension Officer (Industries) under his charge. This matter can, however, be further examined by the Training Advisory Committee.

(b) In the case of Mahavidyalayas, it was felt that the Intensive Area Scheme of the Khadi and Village Industries Commission also may be taken up in their close vicinity. It was expressed by all the Principals of the Mahavidyalayas that the Intensive Area units could serve as laboratory for the officer-trainees and field for intensive training for the instructional staff at the Mahavidyalayas. The Khadi and Village Industries Commission may have to take necessary steps in this direction.

### Final Examinations

X. (a) At the last Joint Seminar it was recommended that *viva-voce* test as a part of the final examination for the Extension Officer trainees at the end of each term both at the Regional Institutes and the Mahavidyalayas be conducted by a special team comprising of the representatives of training centres, State Government and Ministry of Community Development. This arrangement, however, has not proved workable for various reasons. It is now proposed that the *viva-voce* test may continue to be conducted by the training centres themselves. The special team may take up the actual evaluation at the end of every 12 months before a particular batch of trainees complete their full course at the Mahavidyalayas. Among other things, the evaluation team

will check up the syllabus covered, both theoretical and practical, methodology followed for conducting the training and general standard of training achieved. They may also interview a cross section of the trainees. The evaluation report of this team will be submitted to the Khadi and Village Industries Commission, Development Commissioner, Small Scale Industries Board and the Ministry of Community Development.

(b) For the purpose of the final evaluation it will be necessary that the individual confidential reports of the trainees prepared at the Regional Institutes are forwarded to the Mahavidyalayas wherever a particular trainee is deputed to take up the second phase of his course. These confidential reports will be made available to the evaluation team and thereafter combined with such reports prepared at the Mahavidyalayas in each case, will be forwarded to the State Governments concerned.

### Contact

It was felt that the visit of the Senior teaching staff from the Regional Institutes and the Mahavidyalayas to the Community Development Block is very essential. The need for this has been accepted under various training schemes for the Community Development personnel. These visits will help the teaching staff to post themselves with latest developments in the field as well as to know the difficulties faced by their ex-trainees, i.e., the Extension Officer (Industries) in actually implementing the industries programme. For the purpose of these visits



special budget provisions may have to be made as well as necessary instructions issued from the head-quarters of the organisations concerned.

Besides these visits to the Community Development Blocks, the teaching staff may also have occasion to participate in the Industries Seminars whenever such Seminars are organised by the State Governments. This will give an additional opportunity for the teaching staff to contact their ex-trainees.

### **Orientation Course**

XII. (a) It has been generally observed that the Block Development Officers to whom the Extension Officers (Industries) are responsible, being not quite conversant with the various aspects of the industries development programme, generally fail to extend necessary assistance to their subordinates. It may, therefore, be desirable that the Block Development officers are given a short orientation course in the industries development programme. This may be done on the lines arranged by the Madras Government who have also drawn up a regular syllabus for this course which can be suitably adopted by other State Governments.

(b) Similar orientation courses may have to be organised for another Community Development functionary, viz., Social Educational organiser who has very much to help the Extension Officer (Industries) in persuading the village artisans to take to improved implements as well as help prepare the climate for starting new industries. The Central

Ministry concerned may have to impress the need for this on the State Governments.

### **Need For The Joint Seminar**

XIII. (1) For the trainers who conduct training of one and the same functionary, but belonging to the different organisations as is the case for training of Extension Officer (Industries), it is very necessary that they get together at least once a year to discuss their mutual problems and develop understanding and to make the integrated approach in the two phases of training really effective. It was unanimously expressed that the two Joint Seminars organised so far, have been very useful. The teaching staff from both the Regional Institutes and the Mahavidyalayas now feel an affinity in working for a common objective. The present arrangement to organise the Seminar alternately by the Development Commissioner, Small Scale Industries Board and the Khadi and Village Industries Commission may continue.

(2) Shri B. Mukherji, Joint Secretary, Ministry of Community Development, who joined the Seminar during the concluding session, spoke of the lacunae he found in the various training programmes for the Community Development Personnel including the Extension Officers (Industries). He pointed out that :

- (i) while training in a subject, the subject matter is being organised well, the method and approach for the proper implementation of the respective programme are not suitably handled, with the result



that these Officers lack inspirational quality and fail to carry conviction to the people among whom they work;

- ii) in arranging specialised training in a particular line, the relation of one development activity with the overall programme to improve the economy of the community as a whole is lost sight of. This results in lack of co-ordination between different functionaries in the field ;
- (iii) The instructional staff at the training centres keep on to the stereotyped teaching methods instead of adapting to new extension approach to create in their trainees that inspirational quality; and
- (iv) the training centres, by and large, have not succeeded in becoming an integral part of the programme for which they train different personnel as their relation with their trainees is not projected right to their field of activity in block areas.

Shri Mukherji added that the Ministry of Community Development would welcome proposals from the training centres for whatever changes considered necessary by them for improvement of the different training programmes. In referring to the functions of the Extension Officer (Industries) regarding which there has been some confusion, he said that the training centres should be in a position to make a material contribution in evolving the correct role of this officer.

Winding up the proceedings of the Seminars, Shri R. Srinivasan observed that holding of joint seminars between the teaching staff of the Regional Institutes and the Mahavidyalayas together with some officials of the State Governments connected with the industrial development programme, has been a very wise decision. Success of industrial development in villages which was the most urgent need of the hour would greatly depend on how the Extension Officer (Industries) was handled during his training period. On this point all concerned should have a clear understanding. During the seminar practically all aspects of the training programme were considered. The points made out by Shri Mukherji were also covered. He was glad that the discussions were frank and unreserved and, at the same time, there was appreciation of the different points of view expressed.

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# SOME PROBLEMS OF INDUSTRIAL CO-OPERATIVES

( By C. G. RAMASUBBU ) \*

The development of cottage and small-scale industries has been given an important place in the programme of economic development under the Second Five-Year Plan. The Plan has emphasized that these industries should be organized, as far as possible, on a co-operative basis as that type of organization seems particularly suited not only for meeting the different problems of such industries, but also to serve as a channel for the aid which Government extends to this sector of the economy. While the advantages of the co-operative method are being increasingly appreciated, the pace of the development of the co-operative movement in the country in this, as in other spheres, has so often fallen short of the need. One is, therefore, led to consider the practical difficulties which are generally experienced in forming and promoting such co-operatives for cottage and small-scale industries. The programmes of the various all-India Boards connected with cottage and small-scale industries and the Khadi and Village Industries Commission have increasingly reflected a recognition of these difficulties and incorporated measures designed to help in their solution.

## Marketing

As in the case of any other type of

industrial organization, marketing is the crux of the problem of the successful functioning of industrial cooperative as well. The handicaps of the decentralized sector of industry in this regard are particularly severe. The units of cottage and small-scale industries, weak in respect of finance and organization as they are, cannot establish contact with the consumer and reach him in the same manner as the large-scale producer can, with all the resources at his command, of advertisement, publicity and sales organization, not to speak of the advantage, present in many cases, of an established name. It is, therefore, of the utmost importance to study the marketing prospects carefully before starting an industrial cooperative society of any category, taking into account the different lines along which the problem is being sought to be solved, with State aid, today. The following are some of the questions which the organizers of cooperatives for small-scale and cottage industries may ask themselves in this connection.

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\*This article is contributed in the author's personal capacity. It could not be included in the fourth Annual Number of "Khadi-Gramodyog", as it was received too late for inclusion in it.



What is the price of the comparable product of the large scale industry in relation to the price of the society's product and is there any aid from the Government available in the form of a sales or production rebate or cess on the large-scale product which will improve the competitive position of the society's product?

How far can the society's product be sold locally, i. e. in the area of production itself so that transport costs are saved, the goods produced by different classes of rural producers are sold within the rural community itself, and the competition of the large scale product is less intense than it would be elsewhere, e. g., in an urban or export market?

Can some bulk orders be obtained from the institutions which consume large quantities of the article which the society is to produce?

### Important Developments

Some important developments in regard to the marketing of products of cottage and small-scale industries deserve notice in this context. First, the purchases by Government Departments and other large institutional consumers have come to play an increasingly important part in supporting the promotion of small industries. The National Small Industries Corporation has been making a significant contribution in the sphere, so far as units of small-scale industries are concerned, so as to help them to get Government orders of appreciable value; in fact, certain articles are reserved for purchase by the Government of India from

units of small-scale industry alone. Again, the purchases by Government departments have figured prominently in the marketing of Khadi. As far as machinery for sales is concerned, a net-work of emporia (organized on a Government or cooperative basis or otherwise) has come into existence all over the country for the sale of the products of cottage and small-scale industries under various schemes. Further expansion of this structure is taking place steadily in the light of the felt needs and available resources. Publicity in respect of the products of small industries has also been organized to help in expanding sales.

### Federal Organization

For the provision of these marketing services as also for other purposes, it has been found in practice, that a federal organization of primary industrial cooperatives can play an active role, if a sufficient volume of business can be found to help it to justify itself as an economic unit paying its way. In this respect, the results achieved by some of the apex weavers' societies which have been organized in almost all the States, serve to indicate the potential advantage of similar organization for other industries of this sector. The question then arises whether the federal unit should be one for each district, with an apex for the entire State or there should be only a single federal unit for the entire State, with a net-work of branches. While a doctrinaire approach to this question may be avoided, in the light of the past experience with federal industrial co-operative organizations (other than those of weavers' societies) and the limited



possibilities for the development of such industrial co-operatives – in number and in business – in the immediate future, it would appear preferable to have, in the initial stages, only an apex society for each State with branches. District institutions can be started, as in the case of Central cooperative banks in some States, to replace the branches of the apex institution, at a later stage of development.

Another practical problem which arises relates to the number of industries which may be brought within the scope of a single federal society. There seem to be obvious advantages in having distinct organizations for certain types of industries. For example, the handloom weavers' societies are so large in number and account for such a significant volume of business turnover and have made sufficient progress towards institutional financing that a separate apex society for purposes other than provision of credit for these societies justifies itself. Again in the case of certain industries such as Khadi, it may not be practicable to combine their units with others – say, those engaged in the production and sale of non-Khadi cloth in a common apex institution with common sales depots, etc. On the other hand, it would be uneconomic to multiply the number of apex societies, especially when a number of non-competitive and sometimes, complementary units can come together in a single apex to economise on overheads and provide mutual support. Thus, no hard and fast rule can be laid down. The

approach to this question should be pragmatic and a decision taken in the light of the practical considerations associated with each case.

### Improved Techniques

Another aspect of the practical working of industrial cooperatives to which attention should be given urgently, relates to the improvement of the techniques of production. It may be recalled here that while the Karve Committee set out various strong reasons, including those connected with the need to provide employment opportunities for an increasing labour force resulting from a growing population, for the promotion of cottage and small-scale industries as an integral part of the economy, they did not suggest that this should be a static or stagnant sector. The aim is that there should be a continuous transition from lower to higher techniques, brought about in stages and in planned manner. The programmes of Government in respect of all the industries in this sector place emphasis on this aspect of their development, and provide facilities for the purpose. An industrial co-operative should, therefore, take advantage of such facilities and constantly endeavour to improve the quality, and reduce the cost of its products. Training of artisans at training and demonstration centres, consultation with special experts available for various industries, maintenance of appropriate and detailed accounts (including elementary cost accounting), study of business management, and introduction of quality control are some of the possibilities in this



direction. It is needless to emphasize here that the improved productivity and quality will make the problem of marketing easier of solution and may also reduce the extent to which special aids are needed from the State such as reservation of spheres of production, levy of an excise duty on the product of a large-scale industry, and the grant of production or sales subsidy to the cottage or small-scale industrial unit. Advantage can be taken, in this context, in appropriate cases, of the fact that with the completion of various multipurpose and other projects, electric power will reach many rural areas and be available for the use of improved techniques of production.

### **Area Of Operations**

No industrial cooperative should be organized without careful on-the-spot study of its prospects and patient preliminary work. The foremost of the factors to be examined relates to marketing prospects, techniques and production costs to which a reference has been made in the foregoing paragraphs. The next is with regard to the area of operations. Practical convenience would require its restriction to a town or a village of a compact group of villages situated within a radius of, say, three or four miles. A larger area would make it difficult for the members to undertake production for the society, if it is an industrial co-operative production society where the members work on the society's account either in a common workshop or in their homes for wages. Even, if, on the other hand, it is an industrial cooperative society

supplying raw materials to its members or helping them in selling their finished products or providing them other common services, e. g. those of assembling, finishing, dyeing, etc., the separation of a society's headquarters from the place where the member lives by a long distance will create difficulties. Further, when an unduly large area of operations such as a taluka is sought to be covered by a single industrial society, as has been done in some States in certain instances, participation by members in the affairs of the society will become even more difficult than it ordinarily is.

### **Combination**

Another question allied to that of the area of operations relates to the combination of more than one industry or craft in one society. The rule should ordinarily be to have a separate society for each craft, except in cases where there is a special and close relationship between two industries such as spinning and weaving or leather-tanning and the making of shoes and other leather goods, or government aid is conditional on such combination etc. It is important to ensure that there is a community of interest among the members as, in its absence, the smooth and successful working of a society will be impossible. When two or more crafts are brought within the fold of a single society, interests of the different classes of artisans, not being identical, there might be conflicts especially when the society makes a profit on some lines of business and losses on others.

### **Membership**

The membership of an industrial



cooperative society should consist, in the main, of persons skilled in the industry with which it is concerned. To start with, it will no doubt be necessary to explain to the members, the advantages of forming themselves into a cooperative, the rights and obligations flowing from membership, methods of work, etc. In many cases, while the members are competent in their own jobs and are generally willing to abide by the discipline of the society and are loyal to it, it is in regard to the management of its affairs that they are sometimes handicapped. It is precisely in this respect that a knowledgeable social worker or a public-spirited and honest businessman can play a useful role. Provided they are men of integrity, such sympathizers can help the artisan members by lending their valuable experience and guidance especially in matters such as the purchase of raw materials of good quality at reasonable prices, contacts with markets, compliance with trade regulation, conduct of meetings and maintenance of accounts. Care should, however, be taken to see that such sympathiser-members from among non-workers are sincerely interested in the welfare of the workers and do not account for more than a limited proportion of the total membership, which may reasonably be placed at about 10 %.

### **Economic Unit**

In determining the number of members, turnover etc., due account should be taken of what would constitute an economic unit. Detailed calculations should be made to arrive at the expected gross income of the society from sales, commission etc.,

the various items of expenditure likely to be incurred and the net profit which will be available for contribution to reserves and payment of bonus on wages, and dividend on share capital. In view of the handicaps faced by cottage and small-scale industries generally and industrial co-operatives in this sector in particular, in several aspects, it is reasonable that the State should provide them with different types of aids such as sales rebates, production subsidies and grants, for a limited period, for the employment of paid staff who are qualified and trained. Account should, therefore, be taken of these facilities in calculating the economics of an industrial co-operative unit. If, after credit is given for all these aids, there are still no prospects of the co-operative unit working at a profit even after a period of say, 4 years, it would not be fair to the prospective members to register such a society, for it would then be a manifestly losing proposition. The determination of what is an economic unit for an industrial cooperative of a particular type is, therefore, a matter of great importance.

### **Credit Facilities**

The non-availability of prompt and adequate finance to meet block capital and working capital requirements is one of the major difficulties experienced by industrial cooperatives. On the one hand, it is important to ensure that development in this sector is not handicapped by the lack of credit facilities. On the other hand, it will be too much to expect the banks who have to safeguard the interests of their



depositors to undertake risk which cannot be provided against. In these circumstances therefore, the proper course of action is to endeavour, on the one side, to make the cooperative banking institutions more knowledgeable in regard to, and sympathetic towards, the problem of industrial co-operatives, through appropriate additions to their boards of managements and the staff employed by them and, on the other, to extend aid to industrial co-operatives in the several directions needed in such a manner as to make their financing a safe and sound proposition. However, these changes, desirable as they are, cannot but be gradual in coming and the institutionalising of credit facilities to cooperatives of these industries will, therefore, have to be a phased process, depending on the progress made in the other directions of the programme of their development. The Government has, therefore, accepted the position of an important supplier of loans and grants to industrial co-operatives for the purchase of equipment, construction of buildings, etc. as also of loans for meeting their working capital requirements, apart from loans to individual artisans to enable them to purchase shares in cooperative societies. Further, in some cases, notably that of the handloom weavers' societies, working capital is being provided by banking institutions on the basis of

the undertaking on the part of Government to share losses, if any, which might be incurred in such financing. It is in the measure that industrial cooperatives make products for which there is an assured market and run their own affairs, on a businesslike basis that the flow of institutional finance to them can be substantially expanded.

### Conclusions

In the final analysis, it is clear that the several problems of industrial cooperatives are inter-related and if these societies are to succeed, action on all the fronts is necessary. It may be hoped that successful implementation of the programmes now being proposed by the Central and State Governments will help to ensure the emergence of a large and strong sector of the economy characterized by two significant features, viz. decentralized production and a co-operative form of organization. For the fulfilment of these programmes, not only State assistance on a large scale and of a wide scope will be necessary, but also the active and loyal co-operation of the artisans themselves; in the many-sided effort which should help to produce these results, adherence to practical principles of sound business will at least be of the same importance as the pursuit of the moral and spiritual values associated with the ideals of co-operation.



# NON-EDIBLE OILS INDUSTRY\*

( By P. V. SHRIKANTA RAO )

A number of papers were presented to the symposium on "vegetable oils and their products" held in New Delhi in October 17. The symposium was held by the National Institute of Sciences of India. These papers laid stress on the use of non-edible oils. A perusal of the abstracts of the papers circulated showed the extent to which importance is attached to these species of the vegetable kingdom. For the last 20 years and more, some work had been on these non-edible oils. The Indian Central Oilseeds Committee, too, had been talking of these. But the question is whether mere talk can lead us anywhere. If we really mean to exploit the resources fully, having been now fully convinced that these can play a very important role in our country's economy, it is time that we put our heads together to see how best we can utilise them to the maximum extent for our use.

The fact that our country is very rich in these non-edible oil seeds bearing trees is now generally accepted. What is needed is to assess the availability potentialities. Unless the availability potentialities are known, it is not possible to draw up a clear-cut programme before the country. The Khadi and V. I. Commission has undertaken the task of exploiting these resources by organising agencies to effect collection

of seeds during the season. If we mean to do the job properly, conditions for their adequate collection in time and their proper storage will have to be created locally, i. e. in the areas of collection. These areas are the lakhs of villages scattered all over the country, which are usually cut off from normal communications during the rainy season. Nobody can ever imagine to post technical men at every one of these centres to keep a watch on and guide the collection and storage of these seeds in the villages. Obviously the necessity arises of tackling the problem at the village level by making use of the talent available there. Mere academic discussions and laboratory work can be

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\* A symposium on 'Vegetable Oils and their Products' was held by the National Institute of Sciences of India on 17th October 1958, in the Office of the Institute at New Delhi. Scientists and Technologists from different laboratories, institutions and organisations under the Ministries of Defence, Agriculture, Commerce and Industry, and Scientific Research, from several Universities, and industrial units took part in the symposium. In response to the invitation of the Institute, Shri P. V. Shrikanta Rao, Organiser, Non-edible Oils and Soap Industry, Khadi and Village Industries Commission participated in the symposium and dealt particularly with the question of the development of the little known oil-yielding seeds – the non-edible oil seeds. This article is adapted from his speech.



of little avail if we wish to fully exploit this source of wealth. All the science and technology required for the job will have to be made understandable at the village level and all the tests will have to be measured and verified at the village laboratories. If science and technology cannot be made to give results for the benefit of the layman at the village level, take it from me, not even the most herculean efforts can crown our attempts with success. If once we are able to build the organisation for the purpose on a sound basis the whole thing will become organised and take permanent roots. Once the seed collector knows the technique of collection and storage, he will be assured of a proper wage and income. Therefore, our problem is how to get these raw materials in good condition, rather than how to use them.

The Khadi and Village Industries Commission has been engaged in this programme and a large number of centres say about 500 as on 31-3-58, have been started all over the country charged with the collection of these seeds and, of course, of pressing the oil from them and make use of them for making soap. At present they collect seeds sufficient only for their work, because of so many other problems, viz., lack of technical know-how, adequate funds etc., and market for the surplus oils may not be forthcoming. There need be no need to

enter into a discussion of why these seeds are crushed by ghanis and not by the oil mills. Let us first tackle the basic problem, i. e. of effecting maximum collection of these seeds and then the other things will take care of themselves. What is not a problem, should not be made to distract us unnecessarily, lest we may miss the bus by our own mistakes.

Another vitally important point is that of fixing priorities of our programmes at the national level. We all realise the importance of the non-edible oil Industry. In the Second Five Year Plan, our Government has included this as part of small scale and village industries under - "miscellaneous industries". Probably, at the time the Karve Committee went into the question it was not possible for any one to present adequate data for its consideration. Since then more information has become available. It is time that we all try to focus the attention of the Government so that this programme may be included as a major industry and given priority for development in the Third Five Year Plan.

After the speech by Shri P. V. Shrikant Rao, Dr. S.K. Basu, Convenor of the Symposium thanked Shri Rao. He agreed with Shri Rao that the problem was of collecting the seeds first, and to that end, it was the duty of every one here to reorient their outlook on research and see that the results are of value to the common man who is the supplier of this raw-material.



## NEWS & NOTES :

# GREAT AMBAR DEMONSTRATION

( By A SPECIAL CORRESPONDENT )

Hyderabad has set the model for India. There, once for all, the controversy over the Ambar Charkha has been settled. All that has been claimed for it in regard to productivity; employment and earning potential have been established. Nothing can now dislodge it from the place it has won for itself as an instrument of economic growth. Such are the impressions, that one carried with him after witnessing the magnificent Ambar spinning demonstration on October 25. This four spindle handspinning unit has now come to stay.

Taking advantage of the A. I. C. C. sessions, the Hyderabad Khadi Samiti had arranged a mass demonstration of Ambar spinning. About 1,500 women spinners, mostly Muslim women, participated in the demonstration. They had been trained in the several Ambar Parishramalayas run by the Samiti and had been provided with an Ambar set each on hire-purchase. They are regular spinners and work in their homes and earn between rupee one and rupees two daily at two annas per hank of yarn. To these 1,500 women and many more like them the Ambar Charkha has come to mean much more than a mere spinning unit which gave them a steady income where they had none. In it they have found spiritual satisfaction and hope of a better

and fuller life. This was evident from the unforgettable spectacle which the Hyderabad demonstration presented.

### **Neat Demonstration**

The demonstration was very neatly arranged in the vast maidan of the Vivek Vardhini College. The spinners had brought their own charkha sets on which they daily worked. These Charkhas were labelled and arranged systematically in well defined groups. The lay-out provided for ample moving space. The visitor could have a close view of each of the 1,500 spinners and the way she operated on her Ambar Charkha. The spinners had been told that Shri Jawaharlal Nehru, the Prime Minister of India, would come to see their work. It is usual on such occasions for people to rush for vantage positions and, thereby, cause confusion and stampede. There was none of these. The spinners came early in the day, spotted out their Charkhas and seats and quietly settled down to their tasks. There was perfect order and discipline. Each one of the spinners knew that she will have her turn to meet the Prime Minister. Each of them knew that she had an important function to perform. Each knew that the reputation of the Ambar Charkha which had brought her security,



was in her keeping. All the 1,500 spinners seemed to be conscious of this. But they were confident and expectation was writ large on their countenances. The Prime Minister was to come at 7 p.m. To them it was an opportunity to prove how the Ambar Charkha came to them as a boon in their hapless life and how by honest labour they could create for themselves conditions of honourable living.

### Jawahar Sees It

The Prime Minister came. He was accompanied by Shri U. N. Dhebar, the Congress President. Shri Morarji Desai, Union Finance Minister and other leaders. They were received by Shri Vaikunth Mehta and Shri Ramanand Tirth. Shri Pranlal S. Kapadia and Shri Dwarkanath Lele took them round where the spinners were working on their Ambar Charkhas. The 1,500 women, all dressed in colourful Khadi, presented an inviting picture of industriousness and self-assurance. They showed in actual working that they could produce anything between 8 and 12 hanks of yarn a day and thus established the productivity claim made for the Ambar Charkha. They prepared their own royings and spun their own yarn.

The Prime Minister, the Congress President and the Union Finance Minister went round and closely watched the spinners at work. They stopped at times to examine the yarn or to ask questions. As they did so, they seemed visibly moved. At random they picked up spinners and inquired of them how much they could spin. When the answer came 8 hanks, 10 hanks, or 12 hanks according to the skill and experience of the

spinners, they would again ask "Alone or with the help of others?" "Alone" was invariably the reply. Not only that. Some of the spinners explained the processes they carried out before yarn is produced from lint, how long they worked and how much they could spin.

### Inspiring Smile

The interest and the earnestness with which they approached the spinners had an electric effect. The broad smile, let us say "Jawahar smile," acted as an inspiration to the spinners. Usually shy and reserved, they felt that in that smile of the Prime Minister was his sincere blessing and encouragement to them to pursue with the Ambar Charkha and develop in themselves the spirit of self-help, self-reliance and self-confidence. Naturally, therefore, each one of these women spinners seemed to feel that, whatever the critics might say about or against the Ambar Charkha, the Prime Minister of India would now be its protagonist and champion.

Is it any wonder then if one by one the spinners got up to garland him with yarn spun by themselves. They had already contributed a hank each as their gift to the Prime Minister. But the magic spell of his kindly approach prompted them voluntarily to show their gratitude and appreciation by putting round his neck more hanks of yarn. So laden was he with these garlands of handspun Ambar yarn that at one time he seemed to stoop under their weight. As he moved on and on, he picked up a young spinner and asked her whether spinning on the Ambar Charkha was tiresome. The reply



was : "no; it is a pleasure."

### **Magic Spell**

This demonstration of skill, discipline and determination on the part of those 1,500 women spinners cast a magic spell. The large number of leading Congressmen and citizens who had occupied every inch of space in the vast maidan, had their eyes fixed on the myriad number of Ambar Charkhas humming steadily and uninterruptedly. There was surprise among some, while others looked on in wonder. But in every one's heart there was a feeling of relief and many seemed to breathe out the words "Long live the Ambar Charkha". One distinguished woman who had come to see the demonstration exclaimed : "Is this all a dream? Am I dreaming". She is not new to the Charkha or Khadi. She is a strong protagonist of the movement and had close association with Gandhiji. Even to such as she, reality seemed magic! The experience, indeed has been stirring.

### **Exhibition**

Alongside the spinning demonstration there was arranged a small exhibition of Khadi produced in the centres run by the Hyderabad Khadi Samiti. This exhibition, too, provided a revealing experience. The adaptation by local weavers of Sambalpur designs and tie-dye technique in weaving was remarkable. It was impossible to distinguish the real Sambalpur fabric or colour scheme from the Pochampalli copy of the same. Among the production centres run by the Samiti, Metapalli is the most important. There was exhibited Khadi of different textures and widths. There was

plain white Khadi woven in widths of 92 inches, 72 inches, 64 inches, 54 inches, down to 27 inches. What was thought to be impossible in Khadi weaving had been achieved at Metapalli. Fine Khadi produced in this centre might take its place alongside the famous Chicakol texture. Among the exhibits was the Patola pattern woven in cotton. What was considered as a specialised art of the silk weavers of Patan in Gujarat, has been successfully adopted in cotton weave at Pochampalli.

To put it briefly : This tiny exhibition showed that Khadi has not remained static but has taken long strides in recent years. And there is effort to adapt new designs and styles, new colour combination and weaving techniques to improve the quality of the cloth and make it attractive. This new spirit in Khadi production techniques augurs well for the popularisation of handspun cloth among the people of the country. The Prime Minister saw all these changes that are taking place in the Khadi world since his Government constituted the Khadi and Village Industries Commission and allotted adequate funds for the promotion of the movement.

As he walked round the quadrangle where the spinners sat and were plying on the Ambar Charkha, and came out of the tiny exhibition of beautiful Khadi fabrics, he was beaming with smile. The Finance Minister of India, it would appear, heaved a sigh of happy relief. He was heard to whisper: "Much of the load has been taken off head. There is no need to argue the case for Ambar Charkha



now. It has proved its worth. The Ambar Charkha has come to stay." No one can now cavil at the Ambar Charkha, nor can the critic just brush it aside as an "out-moded and primitive tool" expenditure on which was "waste of scarce resources."

The Prime Minister of India was then welcomed by Swami Ramanand Tirth, President of the Hyderabad Khadi Samiti and requested by him to address the spinners. Shri Jawaharlal Nehru responded with enthusiasm. Concluding his speech, he announced that the heaps of yarn presented to him should be utilised for rewarding the best spinners and asked the Hyderabad Khadi Samiti to make suitable arrangements in this direction.

This was the culmination of a great demonstration which has placed the Ambar Charkha on the textile map of India and established for it an abiding place in rural development. For this achievement, we salute Hyderabad and her women spinners.

### **A Land Mark**

Thus, the 25th of October in this year of grace, 1958, will go down in the annals of the Khadi movement as a great day – a land mark which will ever illumine the path of constructive workers. The demonstration was unique. Never before in the history of the Khadi movement has there been, perhaps, a demonstration of spinning of this magnitude. The spinners who participated were not experts picked up for the occasion. They are simple poor women who worked on the Ambar Charkha day after day to earn their living. They have found in it a saviour which gave them a sense of strength and security and as a

boon which redeemed them from the depths of gloom and despair.

Addressing the mammoth gathering that had occupied every inch of the vast maidan of the Vivek Vardhini College, Shri Jawaharlal Nehru explained the significant role of cottage industries in the economic development of the country. He recalled the day when, some 27 years ago, he had opened a Khadi Vastralaya in Hyderabad. The continuity of the efforts started then and the progress achieved thus far, he said, had given him immense pleasure.

### **The Quest**

"We in this country are searching for solutions for several intricate problems facing us. We are anxious to develop the nation. There are several directions in which this development is taking place. But with all this, we are faced with the problem of a growing population and growing unemployment. People should be provided with employment because no one can live on charity. We have to enable them to develop confidence and the spirit of self-help. For, it is always better to stand on one's own legs. Self-help is commendable. Spinning is one of the methods by which this can be promoted. The Ambar Charkha has been evolved out of the traditional charkha. Though the earning out of this may not be much, it taught the value of self-reliance and made the individual depend upon himself instead of on others. This is a great contribution to the growth of the individual as of the nation."

### **Mills Can't Help**

Shri Jawaharlal said that numerous



textile mills existed in this country and more might come into existence. But they and other big industries alone could not be of much use to all sections of the people. At best they might provide work to a few lakhs of people. Millions would still be left without work. Development of cottage industries had, therefore, a special significance to India and their promotion was most essential in the present day context.

Shri Nehru, then, referred to the Ambar demonstration he had witnessed that day and said that he was tremendously struck by the large-scale activity and marvelled at the magnitude of the task undertaken here. The situation in former Hyderabad was such that the field was ripe for organising such industries. The design of the Ambar Charkha might change as days passed on and that would help in bringing additional remuneration for the work turned out.

Shri Nehru congratulated Swami Ramanand Tirth and his colleagues of the Hyderabad Khadi Samiti on their endeavour to render service to the people. He welcomed the increase in the price of hanks produced by them, but pointed out that any extraordinary enhancement might kill the very initiative and the Charkha might then cease to be a source of inspiration.

### **Wish Fulfilled**

Earlier, Swami Ramanand Tirth, Chairman of the Hyderabad Khadi Samiti, welcomed Shri Nehru and reminded him that

on June 4, 1931, he had inaugurated the Khadi Vastralaya in Hyderabad, the first of its kind in the State then. Shri Nehru had then expressed the hope that the small beginning of the Samiti would blossom into a great endeavour and go a long way in improving the lot of the masses of this area. His wish had been borne out by the progress achieved thus far, Swami Ramanand Tirth said. He pointed out that this progress was possible because of the active interest, guidance and assistance extended by the Khadi and Village Industries Commission.

Swami Ramanand Tirth made the revealing statement that in one of the small Khadi Bhandars run by the Samiti, spinners exchanged their yarn for cash or Khadi. The average monthly receipts in the Bhandar were of the order of 1,50,000 gundis (hanks). A fixed price and capacity to accept all the yarn brought by spinners had acted as an incentive to the popularisation of the Charkha and handspinning. With the introduction of the Ambar Charkha, 80 per cent of the Ambar Spinners were Muslim women,—Swamiji observed, a great social reform was also coming about. These women who were in purdah, were now throwing away the veil and were feeling a sense of freedom and independence.

Shri Ramanand Tirth narrated the story of Khadi work in Hyderabad and its early beginnings. His report said :

"In September 1925, All India Spinners Association was formed and it carried on



Khadi production work all over the country. In 1929, it extended its activities to certain parts of Hyderabad State. Two prominent workers, Shri Krishnadas Jaju and Shri Anna Saheb Sahasrabuddhe carried on an extensive survey of the Telengana region and fixed Metpally as a production centre in Karimnagar district. These areas had not yet lost touch with traditional spinning and weaving and, if encouraged, people could be helped to develop efficient Khadi Production Centres. The work developed rapidly and during the past thirty years, it has come to occupy a place of pride in the production of Khadi, some of which has been acclaimed as the finest in the country. This was not an easy task. The sponsors of the movement had to struggle hard against the lethargy and inaction of the people and also the difficulty of the language. But the tireless energy of Shri Anna Saheb Sahasrabuddhe and his colleagues created a new stir and Metpally Khadi production centre has now become a training ground for workers in Khadi all over India.

### The Khadi Samiti

In the year 1950 or there-about, a shift in the policy of the All India Spinners' Association was discernible. The leaders thought of decentralised process and decided to dissolve the All India Spinners' Association and pass on the work to regional organisations. In Hyderabad too, the same process was followed and some of the workers who were anxious to develop Khadi work in the State considered the proposal of the All India Spinners' Association and decided to shoulder the

responsibility of carrying on the work in this area. As a result, a Trust named Hyderabad Khadi Samiti was formed. Following are the members of the Trust :

- |                          |                     |
|--------------------------|---------------------|
| 1. Swami Ramanand Tirth  | Chairman            |
| 2. Shri Digambar Rao     |                     |
|                          | Bindu Vice-Chairman |
| 3. „ Vasudeo Naik        | Hon. Secretary      |
| 4. „ B. Ramkishan Rao    | Member              |
| 5. „ Anna Saheb          |                     |
|                          | Sahasrabudhe „      |
| 6. „ V. B. Raju          | „                   |
| 7. „ Janardhan Rao Desai | „                   |
| 8. „ K. Vaidyanthan      | „                   |
| 9. „ Kandi Shrinivas Rao | „                   |

At the time of the change over, the Hyderabad Khadi Samiti had a limited field. It inherited only two production centres and a few Khadi Bhandars. But, by and by, the work developed. It extends now to Marathwada area and will also touch some parts of Kanrtak. At the time of the States Reorganisation, Hyderabad Khadi Samiti had five production centres; three in Telengana and two in Marathwada, along with 60 sub-production Centres, 13 Bhandars and 8 Khadi Agencies.

Two of the oldest Production Centres of Telengana, Metpalli and Vavelal, both situated in the Karimnagar district, produce Khadi worth Rs. 35 lakhs. The third Khadi Production Centre of Telengana is located at Pochampalli, in Nalgonda district. Pochampalli has made history recently because the Bhoodan movemnt started in that small village. The Khadi Production centre there was started last year and has made a mark in the field of Khadi Sarees on account



of their special designs. Two Khadi production centres of Marathwada are situated in Basmatnagar, Parbhani district and AUSA in Osmanabad district. Basmatnagar production centre came into existence last year only and AUSA Centre has been working for the last three years.

In Hyderabad city, the capital of Andhra Pradesh, there are nearly 7,000 spinners (Ambar and Traditional) producing over 1,50,000 hanks every month. In no other city of India such a large number of ladies have been engaged in regular spinning.

The traditional charkha gives partial employment and adds in some measure to the income of the family. But Ambar Charkha is capable of giving full employment as has been amply borne out by experience gained here. It has been found that, if the Charkha is plied for a working period of eight hours, it does give the worker an income of Re. 1.25. In this city, we found that there was a large number of women who would not move out of their houses and faced unemployment and starvation. This was more in the case of Muslim women who form 85% of the lady workers who ply the Ambar Charkha. The Hyderabad Khadi Samiti carried on a survey of different localities and conducted training classes and these have continued all long. Today the number of Ambar sets which women workers have taken to their houses, after undergoing training, is 2,700. More are undergoing training. Their training period will terminate in a month's time and then Ambar will also find place in the respective households.

You will be happy to know that this

Charkha has come as a great boon to thousands of persons belonging to the poorer sections in society. The glow of freedom is evident on their complexions. They are living a new life – a life of hope and honour. Here I would like to state that at Basmatnagar centre in Marathwada parts, where the Ambar Charkha has become an inseparable part of the family, a family is adding Rs. 2.50 to its earnings every day.

This experience should dispel all doubts about the efficiency of Ambar Charkha and the vital role it is capable of playing if worked properly and efficiently. The work carried on here should convince every one that the economic condition of the people can be adequately improved through this device. We have no doubt that Ambar Charkha will go a long way in the economic emancipation of the women of our country and will ultimately bring about wholesome change in their social status.

### **Parishramalayas**

In Hyderabad City and other places, Hyderabad Khadi Samiti is conducting 29 Parishramalayas. So far 3,500 Ambar Sets have been distributed. Thus these Parishramalayas have provided full and part time work to 3,500 families producing 4,67,847 hanks. So far 2,20,380 have been paid as wages. Ambar Khadi worth Rs. 2,76,275 has so far been produced. By the end of this month 1,400 more women will complete their training in the Parishramalayas and take their Ambar sets home. After every three months, 1,400 new trainees will receive



Ambar sets.

You may be interested to know some details about the working of Parishramalayas and their impact on the economic life of the people. A Parishramalaya provides training for  $2\frac{1}{2}$  to three months. As a rule those women are enrolled who undergo training usually from 9 a. m. to 5 p. m. Every trainee gets Rs. 20 as stipend during the training period. Moreover, annas two for every hank produced are paid as wages to the trainees. Generally a trainee earns in all Rs. 20 a month during the training period. This earning sustains the trainees' zeal. After the completion of training, one Ambar set is given to every trainee and its price is realised by easy instalments in the shape of yarn. Ambar is providing full and part time work to the women who cannot leave their home to make a living.

Besides production and marketing work the need for furnishing appropriate training is always essential for building up the cadre of workers.

During the Pilot Scheme of Ambar, Hyderabad Khadi Samiti opened an Ambar Vidyalaya at Metpalli with a view to training Ambar teachers. Last year the Ambar Vidyalaya was shifted from Metpalli to Saroornagar. So far 125 students have been trained in the Vidyalaya.

One of the teachers of our Vidyalaya won the first prize in the Akhil Bharatiya Atoot Katai competition held at Jamkhandi-spinning  $9\frac{1}{4}$  hanks in four hours.

In January 1957, Khadi Samiti started the Regional Khadi Gramodyog Vidyalaya

at Begumpet. In July 1957, the Vidyalaya was shifted to Saroornagar. Both the Vidyalayas are aided by the Khadi and Village Industries Commission and follow the syllabus laid down by the Commission.

The Samiti has well-nigh completed arrangements for founding 2 Saranjam Karyalayas, one in Saroornagar and the other at Nanded. The Saroornagar Saranjam Karyalaya has commenced working.

### **Khadi Gramodyog Bhandar**

In 1931, the production and sale of Khadi was negligible and never reached even five digits. Today the sale and production of Hyderabad Khadi Samiti alone has gone up to Rs. 37,82,595. The tiny Khadi Vastralaya of 1931, has grown up into a very big Khadi Gramodyog Bhandar. In 1956-57 the sales of the Bhandar were Rs. 2,00,000. In 1957-58 the sales went up to Rs. 4,20,000. This year we hope to increase the sales to Rs. 6,00,000. This year on July 15th, 1958. Rashtrapati Dr. Rajendra Prasad blessed the Bhandar with his visit. The Bhandar has besides cotton, woollen and Silk Sections, Gramodyog and Handicrafts sections, and a ready-made cloth section to cater to the general requirements of people.

In compliance with the wishes of the Khadi and Village Industries Commission arrangements for training in salesmanship have also been made this year and 25 trainees hailing from various States are undergoing training.

The Hyderabad Khadi Samiti has been lending its helping hand to the other



constructive organisations such as Bhoodan Samiti and Bapu Smarak Samiti.

Khadi work has improved the lot of several thousand families of spinners, carders and others.

We intend to produce Khadi worth Rs. 52,00,000 and sell the entire stock inside and outside the Pradesh and to the Government during 1958-59. We propose to distri-

bute 5,000 Ambar sets by the end of this year. The target, no doubt, is ambitious; but we are confident that we shall accomplish the task."

After Swami Ramanand had presented his report, Shri B. V. Raju, Andhra Minister for Planning, thanked Shri Nehru and others. The function concluded with "jana gana mana."  
(*Jagriti* : 30-10-58)

## "INDIA 1958" EXHIBITION

(BY A SPECIAL CORRESPONDENT)

"Most interesting, instructive and in many ways, inspiring." Picked up at random from the "Opinion Book" maintained in the Khadi Commission's Pavilion in the INDIA 1958 Exhibition now on in the Capital, this quotation typifies the general impression gathered by foreign visitors about the changes that are taking place in our villages. This impression is gathered after a view of the panorama of progress depicted in the Pavilion which is remarkable for its simplicity and dignity amidst the riot of colour and illumination which dazzles the visitor to the Exhibition.

Laid out over an extensive area of 110 acres, the India 1958 show is conceived realistically and arranged systematically. To have a look around is an experience and one gets educated about the tremendous strides India has been making in recent years under planned development programmes. The stresses and strains consequent on the rapidity of progress will be felt by the close observer, though the casual

sight-seer will feel captivated at the very idea of progress of which, perhaps, he had little comprehension.

### Call Of The Villages

No doubt, 'INDIA 1958' presents the challenge of our times and beckons the people of India towards the destiny that awaits them if only they would put their shoulders to the wheel and make the next big move. The first feeling that one gets as he walks on, covering sector after sector is that of surprise and wonder and when he gets a little weary of feet he stands and looks up to the sky. His eyes wander to catch a glimpse of the stars which lie hidden or obliterated by the dazzle of the man-made lighting devices. Then, as if from nowhere, these eyes set on a floating cottage in the air. It is made of thatch and at the entrance is the traditional charkha—the symbol of security and strength—which has sustained India against external invasions and internal turmoils through the centuries. At first the visitor stares and as he does so the



subconscious mind brings to the fore the picture of India and her neglected millions.

Perched over a fifty-feet height from ground level and soberly flood-lit, this cottage, as it revolves, seems to invite him. Despite the surrounding glamour, his feet drag him towards it. The sophisticated might mock at this seeming incongruity in the midst of the modern giants planted in the sprawling Industrial Town that is 'INDIA 1958'. But, as they enter the Pavilion, a large size portrait of the Father of the Nation in his "Lead Kindly Light" mood greets them. Then the mind begins to stir and they become curious. What follows, unfolds their interest. Curiosity gives place to a desire to take in and understand what is happening in the rural areas of this vast country. As they go on and on and on along the pathways of the 25,000 square feet area, the efforts of the village folk to write a new chapter to their hitherto wretched life become clearer and clearer.

### **The Facts Speak**

The picture of progress that is taking place, is depicted in numerous informative charts and telling scripts. The "incongruous" becomes relevant and necessary aspects of the national plans and people's efforts. The pictorial presentation of rural India and her challenging problems, the efforts of the resourceless people with the resources provided by the Government of India and administered by the Khadi and Village Industries Commission through numerous institutions which are associated with its work, the new spirit which enthuses the millions to add their own mite with shramdan and voluntary

contribution and their will to achieve and grow in strength and economic stature provide the background to the charts of progress. Seeing all this, is there any wonder that those who enter the Khadi Commission's Pavilion stand and stare at the miniature model village which the Commission seeks to generalise in the countryside through its Intensive Area Scheme?

The picture of progress presented in the Pavilion gives the impression to the visitor that what at one time appeared to be only a dream, is today within the realms of reality. This is no idle expectation or vain hope. What the prominent visitors, Indian and foreign, have noted in the "Opinion Book", taken even at a discount, fortifies our belief.

### **What They Say**

"Very clarifying" says Mr. Jacobson of the International Monetary Fund about the picture of development presented in the Pavilion. To this his wife has added a footnote: "Filled with admiration". Peter Jerriktosen of Iceland put his impressions this way; I found it really astonishing to see all the things you can make in India's villages. I wish your movement the best of luck". An English notable said: "The little I have seen, this evening is very impressive. I shall return to enjoy a more leisurely visit. Very good indeed". Among Indian visitors, Shri G. L. Mehta, till recently India's Ambassador at Washington, observed: "I am much informed."

Other comments, again to pick up at random, are: "amazing", "amazing and most interesting", "outstanding",



"unusually fine and may be proud of it", "wonderful and inspired work," "very remarkable," and so on. The most expressive of the comments, perhaps, is of the Frenchman who said with animation: "Captivating and exalting," while the gentleman from Chile found in the Pavilion "the economic and social revolution that is taking place in India on the basis of the scheme presented in this tent".

Thus this speck in the vast industrial maze that is the INDIA 1958 Exhibition provides a relieving relief to the sound and fury generated by the turbines and engines of modern industry and a very satisfying experience to all. Indeed, an American lady struggled to find expression in words to explain her experience. Facing me she smiled. "We have big factories in my country. But we are not happy. Here is something refreshing, very beautiful. Your villages and your village people must be very happy doing their work

at home and experiencing economic freedom. I have not visited your villages and I don't think I will have the opportunity. Still I can see what is being done there and there is hope."

### Revealing

To sum up: The Khadi Commission's Pavilion is informative, it is self-explanatory. The charts and pictures are purposeful and vividly present the throbbing life that is rising in the India of the villages. There is no effort made at ostentation and showmanship. Each section is allowed to speak for itself. The charts are there only to explain and to inform. The visitor is encouraged to find out for himself that, away from the dazzle, din and dust of the cities an economic revolution is taking shape and how. To say this is to say much. Khadi Commission's pavilion will remain a landmark in INDIA 1958 Exhibition. It has revealed the soul of India astir and is struggling for outlets for expression. It is the revelation of a new life movement, the brave effort of myriad millions to build their country, their lives and their economy.

(Jagriti: 23-10-58)

## PROTECT SMALL INDUSTRIES

Shri Manubhai Shah, Union Minister for Industries, entered a caveat against loose talks about small industries, including Khadi and village industries, and put in a strong plea not to effect any reductions in the allocation of funds for small industries. He effectively refuted the notion that these industries were being heavily subsidised and that many of them were non-economic and non-profitable from the national point of view. He declared that in the expenditure programme for the development of

these industries there was no undue element of subsidy and pointed out that out of a total outlay of 40 crores of rupees per year, not more than 10 crores of rupees or 25 per cent of the total outlay was in the form of subsidy. The amount of subsidy required to be given to small industries is legitimate and is given willingly, generously and gracefully in every country.

Shri Shah added: "If the history of large and heavy industries throughout the world and India is looked into, the



amount of fiscal and promotional assistance and tariff protection that nations have given to their large industries are really enormous. Tariff protection that the community in every country has to provide, the price benefits and the import restrictions over and above the fiscal and administrative measures for which the nations have to pay is really enormous in quantum."

## Phenomenal Growth

The Union Minister who was addressing the 12th meeting of the All India Small Scale Industries Board on November 4, in Delhi, pointed out that in the last three years production in most of the small scale industries had gone up by about 200 per cent and in some small industries in which he included Khadi and village industries, production had gone up by about 300 per cent. This, indeed, is a phenomenal growth and has generated an adequate and appropriate climate for the development of these industries throughout the country. Shri Shah, therefore, hoped that the Planning Commission which was at present engaged in the reappraisal of the Plan and revision of plan allocation would not reduce the allocation on small industries in any way.

Proceeding Shri Shah observed, the place of small industries in the Indian economy was now fully recognised. By small industries, the Minister meant Khadi, village and cottage industries, handicrafts, handlooms, silk, coir and small scale industries. It was a happy augury that the Planning Commission had provided Rs. 200 crores in the Second Plan for these small industries. The Central Government, the

Planning Commission and the Prime Minister had laid great emphasis on the development of small industries.

The Planning Commission was currently engaged in the reappraisal of the Plan and naturally the revised plan allocations would have to be fitted in with the available resources. In spite of the current difficulties, the Minister urged that the Planning Commission, if possible, should not reduce the plan allocation on small industries in any way. He was glad that the Prime Minister had been taking a great interest in the development of small industries.

## Core Of Employment

Shri Shah emphasised that the small industries should receive as high a priority as projects which were included in the core of the Plan because, according to him, if the core projects were absolutely essential to national development, the small industries were the core of employment. Apart from agriculture, there were no projects or schemes in the Plan which had as much employment potential as the small industries. Practically with an amount of Rs. 200 crores for the entire Plan period, the small industries were going to provide far more employment than any other project with that outlay.

The Minister continued: "Fortunately a momentum had been gained as a result of efforts spread over a decade. These gains in organizational dynamics should not be lost or reduced by any cut in the provisions for small industries". On behalf of the Boards and Commissions and Orga-



nisations working for the development of small industries, he was prepared to give a categorical assurance to the Government and the Planning Commission that this allocation of Rs. 200 crores would be well and profitably utilised to give the maximum benefit and employment in every part of the country through the development of Khadi, village and cottage industries, handlooms, handicrafts, coir, silk and small scale industries.

### Higher Technology

"Small industries", Shri Shah said, "help the spread of technology, industrialisation, dispersal of industries and regional development over and above providing employment on a very large scale. This development of small industries has to be done through progressive introduction of higher and higher technology in every small industry." The Minister was glad to find that the fiscal and economic assistance given to the small industries in our country was fully appre-

ciated by all sections of people and was recognised as a necessary instrument of economic and social welfare.

Concluding Shri Shah requested the Board to consider the suggestion of establishing a nation-wide Federation of Associations of Small Industries. The small entrepreneurs, like the big ones, have to come together so that in due course much more work for the promotion and development of small industries could be done by their Associations and their Federation. Too much reliance on Government or other agencies was not desirable. Therefore, small industries in every State should form their Associations and there were already quite a number of such Associations in the country. All these Associations should come together and constitute a Federation of Associations of Small Industries. Such a Federation could consider common problems and devise ways and means for continuous growth of small Industries.

( *Jagriti* : 20-11-58 )



# KHADI & VILLAGE INDUSTRIES BOARD

Constituted under Clause 10 of the Commission Act

## MEMBERS

1. Shri Vaikunth L. Mehta (Chairman)
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## OUR INDIVIDUALITY

"In modern times, it is beneath human dignity to lose one's individuality and become a mere cog in the machine. I want every individual to become a full-blooded, fully developed member of society. The villages must become self-sufficient.

"I do not believe that industrialisation is necessary in any case for any country. It is much less so for India. Indeed, I believe that Independent India can only discharge her duties towards a growing world by adopting a simple but ennobled life by developing her thousands of cottages and living at peace with the world.

"I claim that to industrialise India in the same sense as Europe is to attempt the impossible. India has stood many a storm. Each has left its own indelible mark; but she has hitherto doubtlessly maintained her individuality."

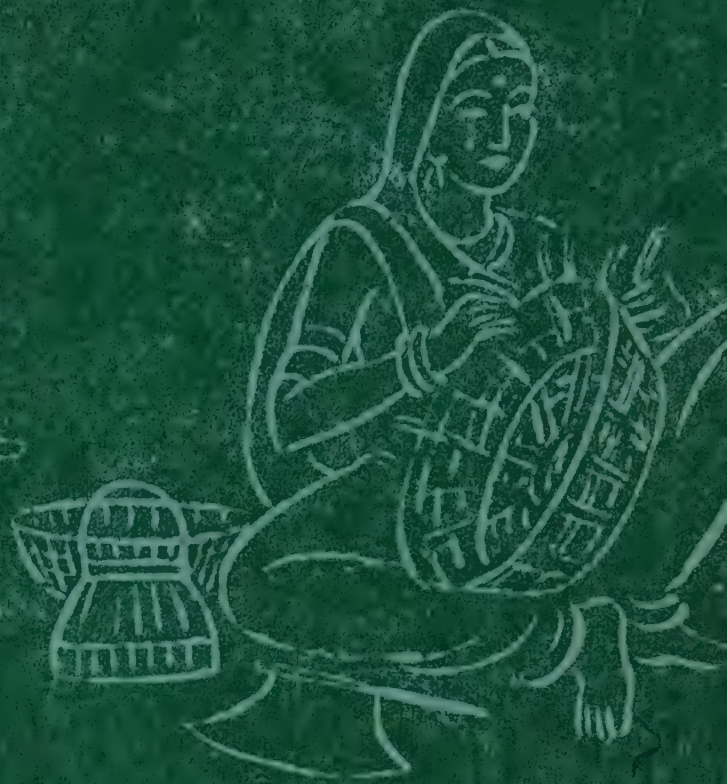
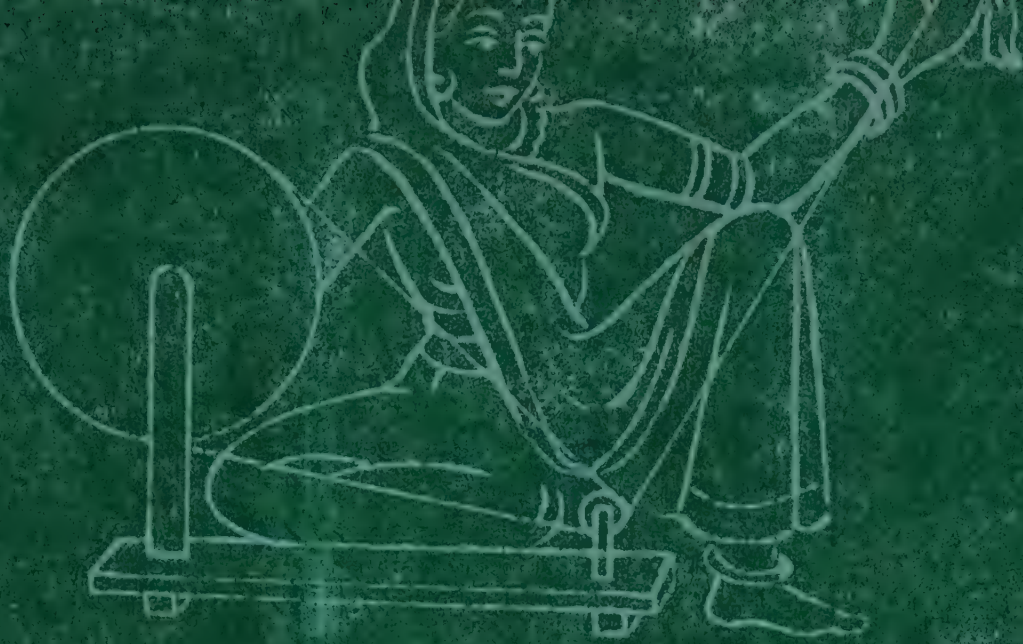
—GANDHIJI

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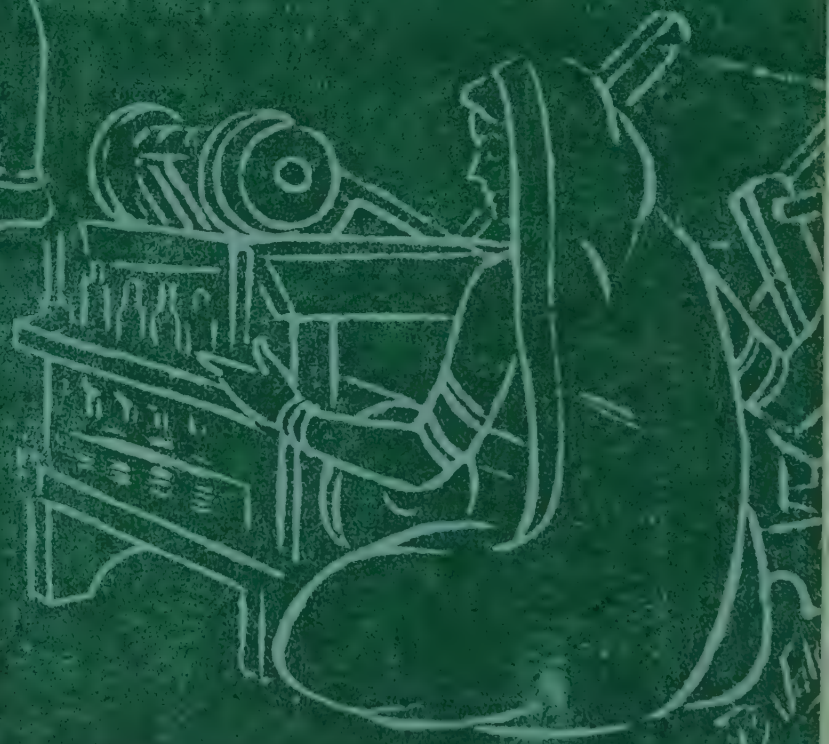
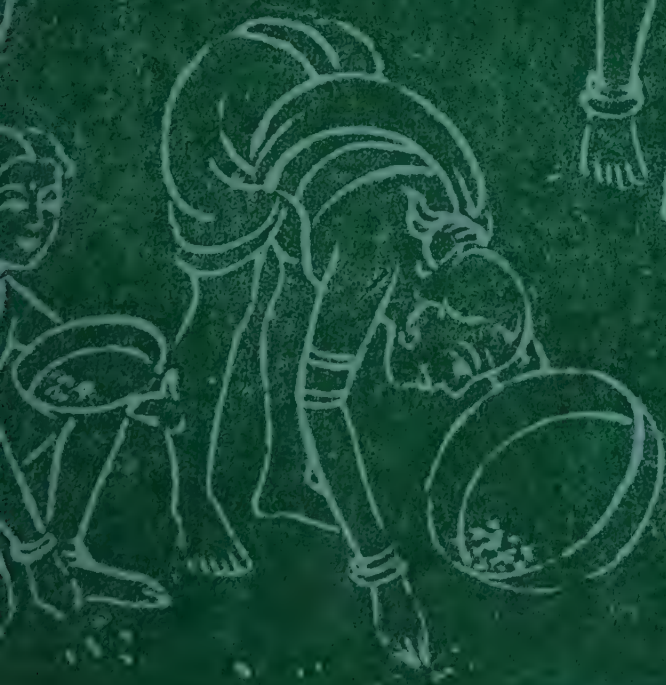
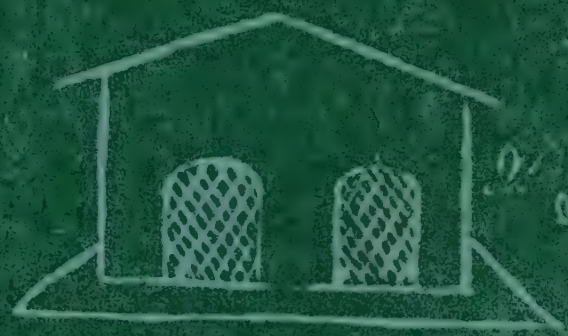
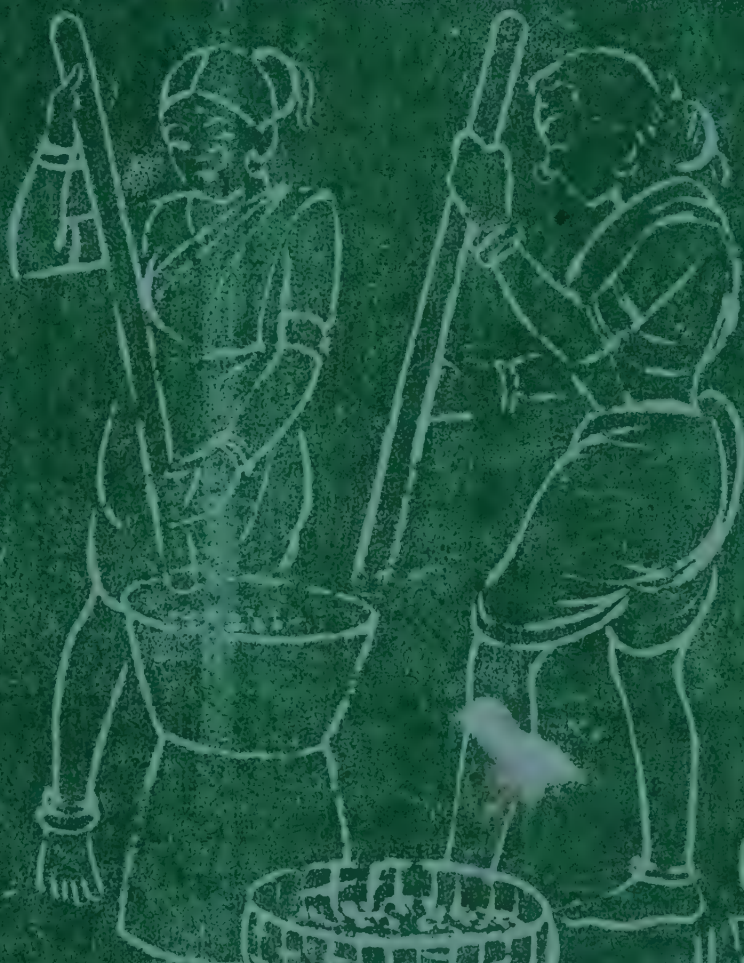
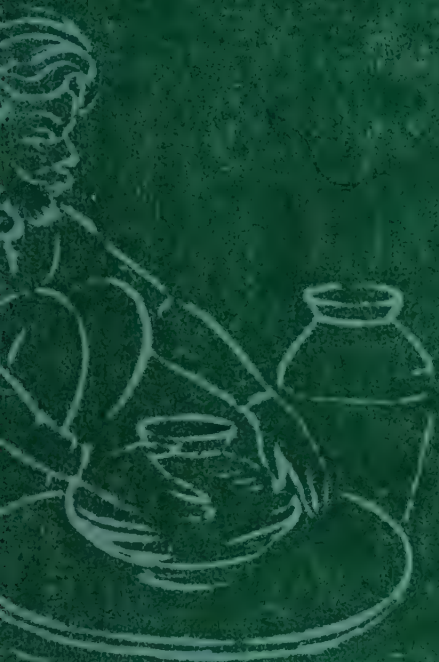




वृक्षतप्तानाम्।  
आर्तिनाशनम्॥



# KHADI GRAMODYOG





# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

## MEMBERS

- |                             |           |
|-----------------------------|-----------|
| 1. Shri Vaikunth L. Mehta   | Chairman  |
| 2. Shri Pranalal S. Kapadia | Secretary |
| 3. Shri R. Srinivasan       |           |
| 4. Shri Shriman Narayan     |           |
| 5. Shri Dwarkanath Lele     |           |

## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan, organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries.
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.



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Khadi and Village Industries Commission,  
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P. T. O.

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While remitting amounts on account of subscription to 'Khadi-Gramodyog', the remitter must

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(Director of Publicity),

**KHADI & VILLAGE INDUSTRIES COMMISSION**

**BOMBAY-1.**

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# KHADI - GRAMODYOG

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## 1957-58

( By VAIKUNTH L. MEHTA )

During the last five years, there has been a considerable increase in the number of institutions, Co-operative Societies and others through which the Khadi and Village

Industries Commission operates. The position at the end of 1957-58 is shown in the following table :

( At the end of 1957-58 )

Sphere of Activity	Co-operative Societies	Registered Institutions	Production Centres	Sales Centres
	No.	No.	No.	No.
1. Traditional Khadi	250	276	1,752	1,495
2. Ambar	66	207	1,442	
3. Village Industries	4,236	N.A.	24,194	N. A.

According to the provisions of the Khadi and Village Industries Commission Act, the Commission is to get, at the commencement of every year, an allocation for the conduct of its work, as provided for in the Central

Budget. This is by way of grants and loans separately. The funds for Khadi are differentiated from those for other industries. The allocation is made after the scrutiny of the Commission's budget by the Ministry of Commerce and Industry, prior to the inclu-



sion of the items in the Central Budget. The scrutiny extends not only to the aggregate demand made by the Commission, but also to the requirements under various heads and an examination of new schemes. After the Central Budget is passed by the Parliament, funds are made available separately for grants and loans and for "Khadi" and "Village Industries". Release of funds takes place from time to time to meet requirements as they arise.

When the Central Budget is passed, the Commission considers and sanctions applications for assistance under the various schemes, the general pattern of which has been approved by Ministry of Commerce and Industry. Departures from the approved pattern are permitted with certain reservations provided, however, the financial allocation is not exceeded. In case, the Commission formulates new schemes, specific approval of the Ministry has to be obtained. When sanctions are accorded, the amounts sanctioned are transmitted to the agencies concerned, after obtaining receipts as also agreements where loans are advanced. Final approval of the form of loan agreement and the rules governing the grants and loans was received from the Ministry during 1957-58.

Special arrangements have been made for financing the village industries programme in Community Development Blocks. The total allocation which, for the year, amounted to Rs. 1 crore, was distributed by the Ministry among different States. Industry-wise allocations were indicated by the Commission. Transfer from one industry to another industry is permitted after

obtaining previous approval.

The need for the use of the agency of co-operative societies received special attention during the year with the appointment of the Director of Co-operation. An Advisory Committee has been constituted and discussions took place in the year with Registrars of co-operative Societies and with the representatives of apex banks about the lines on which loans could be made available to them as also to industrial co-operatives through their agency. Arrangements have been made to sanction for State Boards or State Governments contributions towards the establishment expenses of certain categories of officers engaged in organising and supervising cooperative industrial societies.

A third development that is note-worthy is the assistance that has been offered for the development of Khadi and Village Industries in Gramdan villages. Preference is to be given to such villages over other areas and facilities are to be provided for the training of workers. The detailed arrangements were settled after the close of the year.

It is appropriate here to refer only to a few broad features of the year's programme.

### **Ambar Charkha Programme**

An important part of the Commission's programme now is the introduction of the Ambar Charkha and the production of Khadi with its aid. In pursuance of discussions which took place on this subject at the last meeting of the erstwhile All India Khadi and Village Industries Board held on 17th March, 1957 at which the Prime Minister was present, the Commission appointed



a Committee under the Chairmanship of Shri A. Zaman, I.C.S., then Joint Secretary of the Ministry of Commerce and Industry, to study the methods and organisation of the programme and to make suitable recommendations in that behalf. The Committee's recommendations which were received in October, 1957, have formed the basis of certain modifications in the organisation of work and are in process of adoption. These relate to matters such as training, servicing, supply of cotton, purchase of yarn and facilities for weaving, action on which has been taken by the Commission or by the agencies through which the programme is being executed.

The general structure remains, however, unaltered. As was visualised at the time the programme was adopted, research has been carried on with a view to increasing the efficiency and reducing the cost of the Ambar Charkha. The Sarva Seva Sangh, under the auspices of which the Ambar Charkha was designed, has undertaken further investigation and research. This work was placed by it last year in charge of a special committee to which the Commission has sanctioned a grant. A grant was also sanctioned for the work carried on, in collaboration with the Sarva Seva Sangh by the Ahmedabad Textile Industry Research Association. A demonstration of the improved designs and methods was organised in March both at Meerut and in New Delhi. Action has been taken to carry out some of the alterations and adjustments that have been approved.

The following table gives an idea of the progress made in the year.

### Ambar Charkha Programme

	1956-57	1957-58
<b>I. Organization</b>		
1. No. of production centres	—	1,442
<b>II. Manufacture And Distribution Of Charkhas</b>		
1. No. of charkhas manufactured	76,784	1,15,652
2. No. of charkhas distributed	45,742	98,849
<b>III. Production</b>		
1. Yarn (million lbs.)	0.70	2.54
2. Cloth (million sq. yds.)	1.88	11.15
<b>IV. Employment (additional)</b>		
1. No. of spinners' families	45,742	98,849
2. No. of weavers' families	5,000	3,283
3. Others	6,528	8,021
Total	57,270	1,10,153

### Traditional Khadi Programme

The demand for extension of handspinning with the aid of the traditional charkha continues almost all over the country. To meet the distress caused by scarcity or famine, there was a demand for the introduction of the Charkha on a large scale in the affected areas of four States. Fortunately, with a change for the better in the seasonal prospects in two, the need did not materialize in these. However,



special arrangements for the grant of assistance were sanctioned in two States, for Uttar Pradesh through the State Government and for Bihar through the State Khadi and Village Industries Board.

Apart, however, from those special requirements, there has been a continuous growth of Khadi production and the extension of the field of work, which can be seen from the following table.

### Progress Of Khadi

	1953-54	1954-55	1955-56	1956-57	1957-58
<b>Production :</b>	(Million Sq. yds.)				
1. Cotton :					
i) Commercial	8.54	15.06	19.17	24.22	30.85
ii) Self-Sufficiency	0.56	1.53	5.03	11.55	18.21
2. Woollen	1.08	0.58	0.54	1.56	2.81
3. Silk	0.06	0.19	0.62	0.70	1.26
4. Ambar Khadi	—	—	—	1.88	11.15
<b>Total</b>	<b>10.24</b>	<b>17.36</b>	<b>25.36</b>	<b>39.91</b>	<b>64.20</b>
5. Value of production (Rs. crores)	1.93	3.49	4.79	7.62	12.11
6. Number of Production Centres :					
i) Traditional	421	N. A.	611	759	1,752
ii) Ambar	—	—	—	N. A.	1,442

One of the objectives of the Khadi programme is the provision of employment, part-time or full-time, in rural areas especially. The volume of employment pro-

vided by the expansion of the Khadi industry is evident from the following table which shows the comparative progress achieved in the last five years :

	(lakh persons)				
Category	1953-54	1954-55	1955-56	1956-57	1957-58
1. Spinners	3.08	4.09	5.57	7.17	9.75
2. Weavers	0.18	0.30	0.43	0.54	0.93
3. Others	0.10	0.15	0.19	0.34	0.53
<b>Total</b>	<b>3.36</b>	<b>4.54</b>	<b>6.19</b>	<b>8.05</b>	<b>11.21</b>



## Village Industries

The conditions under which the various other industries are carried on do not render it possible to provide corresponding data. Handspinning is an occupation that, by and large, is carried on under the guidance of institutions, the bulk of which were originally affiliated to the All India Spinners Association. Records have been maintained over the entire period since the revival of Khadi began, about the spinners and other artisans engaged in various occupations, the quantum of their output, the value of the production, the value of Khadi sold etc.

For other industries such as hand pounding or pottery, no such information is available for a comparative study. Work is carried on by a vast number of individuals dispersed all over the country working on their own and rarely ever keeping record of their production in terms of quantity and value.

It is expected, however, that with the formation of the industrial co-operative societies through which State aid is given and the Commission channelizes its funds, it may be possible in the near future to collect the necessary statistical data. Until then, progress has to be gauged mainly from the volume of aid granted from year to year and the value of the aggregate production of the units assisted. Industry-wise, the results of the operations are summarised in the following table:

## Village Industries

Industry	No. of production centres	Value of production (Rs.lakhs)
1. Processing of cereals and pulses	567	164.74
2. Village Oil	22,190	291.85
3. Village Leather	498	10.38
4. Cottage Match	467	0.64
5. Gur and Khandsari	263	561.07
6. Palm Gur	603	421.00
7. Non-edible Oils and Soap	566	14.68
8. Handmade Paper	339	15.65
9. Bee-keeping	623	5.97
10. Village Pottery	69	2.03
11. Fibre	9	0.48

It will be seen that progress is not uniform for all industries. The institutions, mostly co-operative, engaged in these industries are of recent growth. The improvements or innovations that are recommended take time to yield results. Traditions die hard: for instance, in the field of the flaying of dead cattle and tanning of hides and skins, the general environment is often not favourable. Recognizing the importance of the last-named industry, the Commission constituted a special Advisory Committee to advise it about the structure of the plans and to render help in implementing them. A similar Committee was also appointed, it



may be added here, for the Woollen Khadi Industry. Conferences of workers in other industries were held from time to time and their recommendations considered by the Commission.

### Sales Promotion

As part of the arrangements for organising facilities for marketing principally of Khadi, there is a regular programme for starting emporia in large cities and shops or bhandars in smaller places. Facilities are also provided to institutions working on an agency basis. During the year, new emporia, - Khadi Gramodyog Bhavans, - were opened in Madras and Calcutta. Assistance was given for the starting or development of 370 Bhandars and help given to 963 agency units. Training courses have been organised for giving instruction in salesmanship mainly of a practical type. The number of persons undergoing training during the year was 99. The Sales Development Section is also in charge of the programme of assisting in the holding of exhibitions. The number of such exhibitions held during the year was as under :

All India	1
State-wise	4
District-wise	17
Others	54
Mobile Units	10

The aggregate amount spent in the promotion of sales in the year was Rs. 20.64 lakhs. It may be added that special permission has been sought to enable this assistance to be made available to emporia and shops where facilities are given for

the sale of production of handicrafts other than those falling within the purview of the Commission.

### Research Institute

Earlier, reference has been made to research on the Ambar Charkha carried on, with the Commission's assistance, at Ahmedabad by the Sarva Seva Sangh and the Ahmedabad Textile Industry Research Association. Besides, the Commission established in 1955-56 its own Research Institute (named after the late Shri Jamnal Bajaj) at Maganwadi, Wardha, which was previously the headquarters of the All-India Village Industries Association. For advising about the conduct of the research, the Commission has appointed a Research Committee, on which there is a nominee of the Indian Council of Scientific Research. Among the problems that have engaged the attention of the Institute may be mentioned oil pressing, soap manufacture, hand-made paper production, the spinning wheel, the testing of samples and the devising of specifications for quality products. It is proposed to publish monographs from time to time on the results of the researches undertaken at the Institute.

### Training Programmes

After conducting a survey of the facilities for training in village industries, the erstwhile Board constituted a Training Committee and appointed a Director of Training. It started thereafter in 1954-55 a Central institute at Nasik for imparting systematic training in Khadi and other village industries. In addition to this Mahavidyalaya, there are now 6 Mahavidyalayas



and 13 Regional Vidyalayas. At Mahavidyalayas special arrangements have been made for the training of Extension Officers (Industries) deputed by State Governments at the instance of the Community Development Ministry. The number of persons under training during the year was 1,479 including 561 officers from the Community Project Administration.

Distinct from the courses of training organised at the Vidyalayas, there are arrangements for the training of artisans of various descriptions covered by the Commission's operations. These centres numbered about 750 during the year under report and the total number of persons trained during the year was 7,080. To bring about unification and co-ordination, the Training Committee conducted in the year a review of the rearrangements for training in industries.

### Intensive Area Scheme

At an early stage in its career, the erstwhile Board undertook to work out its programme on an intensive basis in a few selected areas in different parts of the country. This scheme is now in operation in 63 centres distributed over 10 States. The aggregate expenditure incurred in the year was Rs. 13.85 lakhs. A survey is conducted of resources, manpower, scope for employment, people's requirements and an attempt is made to plan for fuller employment both of men and resources and towards a fuller life. Before introducing the scheme in an area, preliminary investigation and study are conducted, the number of such centres taken up for pre-intensive study being 25 at the close of the year. The

Commission appointed during the year an Evaluation Committee the report of which was received after the end of the year. An Advisory Committee is also associated now with the working of the scheme.

### Economic Research

In the second year of its existence, the erstwhile Board constituted an Economic Research Committee and later appointed a Director of Economic Research. This section of the Commission is entrusted with the carrying on of research and investigation ordered by the Commission and is associated with the work of evaluation of its activities. It is also responsible for collecting data. Inquiries were conducted during the year in the various aspects of the Ambar Charkha Programme and of the Palm Gur Industry. The Director has also been called upon to assist in statistical or economic surveys on subjects cognate to the Commission's work undertaken by the Ministry of Commerce and Industry.

### Publicity

The post of a Director of Publicity was created in 1954, and subsequently the old Board appointed an Advisory Committee. The Director is responsible for the Commission's publications and for the running of the Commission's two journals, the monthly *Khadi-Gramodyog* and weekly *Jagriti* published both in Hindi and in English. During the year, the Section published books, brochures and pamphlets on various aspects of the Commission's programme.

The entire administrative and field staff



of the Commission, which numbers 2,318 is under the administrative control of the Chief Executive Officer. This includes the staff of the accounts and audit section headed by the Chief Accounts Officer. During the year that Section was strengthened in order to enable it to inspect and audit the accounts of institutions in receipt of finan-

cial aid from the Commission.

The following is a summary of the amounts sanctioned by the Central Government for the year and the expenditure incurred. It may be added that permission has been granted for the utilization of the receipts from the trading operations of the Commission.

Head	Allocation		Disbursement*	
	Grant	Loan	Grant	Loan
<b>Khadi:</b>				
i) Traditional	292.50	136.00	307.33	159.10
ii) Ambar Charkha	230.00	434.00	175.64	474.89
Village Industries	161.83	175.48	147.05	161.74
Trading Operation	300.00	—	283.67	—
Total	984.33	745.48	913.69	795.73

\* Excess of disbursements over allocations met by reappropriation of funds from one Khadi scheme to another.

The aggregate expenditure incurred since the formation of the original Board in 1953 is Rs. 11.33 crores for Khadi and Rs. 3.21 crores for village industries by way of

grants and Rs. 16.06 crores for Khadi and Rs. 3.77 crores for village industries extended by way of loans.

## MYSORE'S OPPORTUNITY

(By *VAIKUNTH L. MEHTA*)

Among the few erstwhile Indian States where Khadi work was undertaken, the foremost was the old Mysore State. In quite a number of States the Rulers would not permit such work being undertaken, even by people's organisations. In Mysore, not only did people enjoy that freedom, but the State itself opened Khadi production centres. These centres have now been transferred to the Mysore State Khadi and Village Industries Board, along with the Khadi Bhandars previously run by Government. This is, indeed, a rich inheritance, though, in terms of monetary outlay, it may not be

equally significant.

In the Karnatak districts which formerly constituted part of the old Bombay Province, Khadi production was on a larger scale than in other parts of the Province. In parts of Bijapur, Dharwar and Belgaum, spinning used to be a well-organized supplementary source of income for families in rural areas. Until I witnessed the unique Ambar Charkha Spinning demonstration organised in Hyderabad two months back, I have never seen such large numbers of women spinners coming together on occasions as I had the privilege to see previously in some villages in Bijapur and Dharwar. Under



the aegis of the Bombay Village Industries Board this work which was initiated by the late Hanumanthrao Kaujalgi, has been developed and extended. There is, however, still great scope for extension of this activity in other parts of the State, and it should be the duty of the State Board to encourage and assist all efforts in this direction.

The term Khadi covers not only hand-spun, handwoven cotton cloth, but woollen and silk cloth as well. For producing both Mysore is very favourably situated. Those engaged in the cottage woollen industry form a large homogeneous occupational group in the population who are capable of being organised to bring about an improvement in the industry. It is true that the production is confined at present to Kambals but the State Board can help in the production of other types of cloth for which there is a local demand. Similarly, for the cottage industry of silk reeling and weaving, there is considerable scope in a State which is among the foremost in the production of raw silk in India.

In the old Bombay State, the place selected for the starting of a training centre in pottery was Khanapur in Belgaum District. Both the Khadi and Village Industries Commission and the Small Scale Industries Board have also located their training, experimental and demonstration centres at Khanapur the clay in which is reported to be about the best available for the ceramic industry in this part of India. Round about Bangalore there is again valuable work done for the past two decades nearly in the development of pottery as a cottage industry. Intensive development through the State Board may yield

even better results than we have had, so far.

The statistics that we have at our disposal show that among all States in India Mysore produces the largest quantity of apiary honey. Coorg, Sakleshwar, Honavar, these are places where pioneering work has been done in introducing beekeeping as a regular industry, not as a full-time occupation, but as a secondary occupation for the rural population especially. That the industry is being developed co-operatively is a factor that will conduce towards its expansion both intensively and extensively in most parts of the new Mysore State. Such a development should help in an appreciable measure in raising the level of incomes in the rural areas in the State.

Another satisfactory feature of the situation in Mysore is that, thanks to the educative effects of the Rural Industrialisation Schemes, there is receptiveness both among the rural population and among officials dealing with the countryside to proposals for developing village and cottage industries. The official tradition is to favour such attempts. Among the rural population too, there is greater readiness than is witnessed in quite a number of other regions to form cooperative organisations for securing economic improvement. For this reason, the State Board has a congenial atmosphere in which it can function. It is an important role that has been assigned to it, namely, to extend on a large scale opportunities for healthy creative work among artisans and agriculturists in rural areas. With conditions so favourable as set forth above, I for one hope that its record will be no lower than that of any other State Board in India.



# PROBLEMS OF OUR TIMES

( By JAWAHARLAL NEHRU )\*

It is always a pleasure to meet and address the new generation, for in their minds and eyes there is a glimpse of the future. For the new graduates an important phase of their life has ended and they step out into this complicated world to play their part and to be actors in the great drama that is India today.

And yet, I find some difficulty in saying anything which will really be in tune with their thinking. Many long years separate us and it was 48 years ago when I took my degree at Cambridge. These years have been full of change in the world and in India. People of my generation have witnessed vast changes and two world wars. They have also passed through a historic and exhilarating period in India's history and been largely conditioned by their experiences during these years.

## **The Gandhi Age**

We belong essentially to the Gandhi Age in India and it was the inestimable privilege of many of us to be closely associated with that great man who fashioned us as he did the millions of India. We saw India under foreign rule, we struggled against this and we triumphed under his magnificent leadership, and saw the dawn of freedom with all its glory and its aches and pains.

What does all this mean to you, young

men and women of a new generation? Is it just a story, one other of the numerous traditions that have built up India through the ages? Undoubtedly Gandhiji is respected and revered by you and you think of him as one of the very few mighty men who have illumined our land and our people from time to time. But you have not had the emotional experience through which my generation passed, nor did you participate in that great struggle which led, through the unique methods which Gandhiji evolved, to India's freedom. You are children of Free India and take that freedom perhaps for granted. That itself divides these generations and it is not easy for me to put myself in tune with your thinking as it must be difficult for you to put yourself in my place.

Indeed, that is the fate of each successive generation and we must not be surprised at it or regret it. For, if there was no change, there would be no progress and society would become static. The gap is wider when some major happenings take place which affect the life of a generation and of society as a whole.

## **New Vistas**

I have referred to our struggle for freedom and its powerful effect on the

\*This is the Prime Minister's Convocation Address to the Delhi University delivered on 6th December, 1958.



men and women of our generation. Apart from this, we have seen mighty changes in the world. There have been great world wars, great revolutions and conflicts between rival political, economic and social ideologies. We have seen also something that is even more important. This is the tremendous advance made by science and technology in recent years ; and that perhaps is the greatest revolution of all.

I was a student of science at Cambridge and I used to visit regularly the great science laboratories of that famous centre of learning. In those laboratories and others in Gottingen in Germany, in Paris, in Rome, in the United States, in Russia and in many other places, a feverish search took place to understand the nature of the physical world. Something new had happened and this had opened out fresh and exciting vistas for the scientist. Science marches step by step, but Einstein had given it a new turn.

### Old Concepts Smashed

When I studied physics and chemistry at Cambridge University, we had rather fixed ideas about nature and the physical world. Matter was supposed to be unchangeable in mass and capable of being moved by forces. The atom was the final indivisible piece of matter, and the picture of nature we had was of a world built with solid, indestructible materials. Then came the development of the electrical theory, in which a new type of force came in. Later came radio-activity and the atoms ceased to be considered as indivisible units of matter, but were supposed to

be composed of protons, neutrons and electrons. Another step forward came with the transmutation of elements, the dream of the old alchemists, and this led ultimately to the nuclear technology of today and the atom bomb. Atomic physics has now changed completely the old conception of the laws of nature.

Communications were powerfully affected by these advances in science and technology. We live today in the jet age and even that is likely to be replaced before long by the use of atomic power. Space travel has already become a possibility to be considered.

### Old Rhythm Gone

The advance in technology led first to the old crafts becoming more intricate. With the use of electricity, a new type of change came. More and more this new technology interfered with the relationship between nature and man. Step by step, man penetrated into new realms. These tremendous changes in our environment created by technological advance, changed our way of life and even affected our thinking.

In past ages, changes also took place, but the pace was relatively slow, and man adjusted himself to new conditions. But, in recent years, the pace of change has been amazingly swift, and it has been difficult for human beings to adjust themselves to this ever-changing situation. They may make a superficial and external adjustment, but the old rhythm of life has gone, and there is lack of harmony which



is reflected in our political struggles and economic conflicts.

### **Grip Lost**

The new situation that has arisen because of this pace of change has no analogy in history. Man has conquered the many ills he suffered from; he need no longer be a victim of poverty or hunger or disease, if he takes advantage of modern science and technology. But, in going far towards the conquest of the external world, he has come into conflict with himself. In adding to his knowledge of externals, he has lost grip of what he himself was. New problems and new questions arise, and we are reminded of the old injunction: "know thyself".

This process of change through science and technology is not complete all over the world, but it spreads everywhere. And as it spreads, the old Gods or the old supreme values cease to have the same validity as before. Physics and mathematics lead to new conceptions which are hard to grasp, where matter disappears and all is energy. Almost one might say that the solid world dissolves into some mathematical concept or illusion, something perhaps approaching the concept of *maya*.

### **A New Mystery**

It is not surprising that this should result in an uprooting of the present generation from its old standards and values and the search for something new. How can we come to terms with this new situation? While discarding the old mysteries, we live at the edge of a new kind of mystery. The reaction of people to this varies. A few are driven to deeper thought and inquiry and a search for

ultimate values; but most others, finding it too difficult to make any sense out of this confusion, relapse into cynicism and negative attitudes rejecting the old patterns and standards evolving no new ones.

This process has affected the Western world much more than India, as the West has advanced much more in technology and its practical applications. But in India also, the beginnings of this are visible. Whether this is the result of a highly mechanized and industrial civilization or merely of the rapidity of the change, I do not know. We labour to bring about a Welfare State in India. In countries where such a State has been established, in so far as the material things of life are concerned, we see patterns of behaviour which shock the older generation. There is growing juvenile delinquency and a rejection of all set patterns and even of basic national cultures. While on the one side we see tremendous advance, on the other we notice a disintegration of society, because the cement of moral and ethical standards and patterns of behaviour gradually melts away.

### **Basic Values**

Whether we like it or not, this industrial and mechanized civilization must necessarily come to India. That is the only way to get rid of the curse of poverty and to ensure higher standards of living. Even spiritual progress demands some measure of material well-being. In any event, we cannot stop or reverse the current of change which science and technology have brought about in great parts of the world. The question for us to consider is whether we can retain in this



process some of the basic values to which humanity has attached great importance in the past, and whether the spiritual element in life, using the word in its widest sense, can be retained or augmented, or will it fade away. Without that spiritual element probably the disintegration of society will proceed in spite of all material advance.

The question is not whether we believe in God or Gods, but whether we believe in any ultimate values. The conception of God has differed in different stages of man's growth. But, whatever it has been, it has represented the then conception of the ultimate value or reality. As man has grown, so has that conception changed and acquired new depths. But, whatever that conception might be, it represents the ultimate or absolute in that stage of society. A personal God gives place to an impersonal one, and that gives place to something else which is deeper and which the normal mind cannot grasp. The Buddha, when asked, refused to define it because it was beyond the limits of language and one's powers of comprehension. It could only be realized in other ways. Some people call it truth and love and beauty, which, to them, represent the ultimate values. We have to get out of this three dimensional world in order to realize what lies beyond.

### **The Basic Question**

What ultimate values do we possess today? Without them we become superficial and trivial, and it is not through triviality that men and nations grow. It may be that out of this tremendous period of transition, a new equilibrium will be established and our highly mechanized

society will throw up new standards and values, a new base of civilization and a new conception of ultimate reality.

I have briefly discussed a question which is basic to our age, although perhaps in India it may not be considered as urgent as in some other countries. But, wherever we may be, the impact of the modern world and the new technical civilization of atomic energy and electronic machines, the possibilities of vast change and progress as well as possibly of the destruction of humanity, confront us and create doubt and uncertainty about the future. I imagine that this is particularly so among the youth who will have to face this new world that is growing up around us. In this world we see conflicts between great nations and ideologies – between capitalism, socialism and communism. And yet, both the highly developed capitalist society of the United States and the new type of civilization that is being built up in Russia, are essentially based on the same factors – a high degree of industrialisation and mechanization. Their methods may differ; but even there, the difference is not so great as is imagined. They are both devotees of the big machine. There is no such thing as a capitalist physics or a communist chemistry or a capitalist atom bomb and a communist hydrogen bomb. It is the same science and technology which leads to these developments whether in the United States or in Russia. There are differences, of course, in many ways between the two countries. But the essential difference in the world today is between these highly industrialized communities and those that



are not yet industrialized.

It is true that the type of society that is being built up in Russia is in many ways different from the older form of society which prevails in Western Europe or America. Probably, however, the similarities between the two are much greater than the dissimilarities and they tend to come nearer to each other.

### **Social Systems**

Each society creates its own system of institutions and culture. Normally it would be a good thing for these various types of institutions and cultures to exist at the same time and to influence each other. The unfortunate fact today is that they are continuously in conflict and this prevents that process of gradual assimilation which otherwise take place. Even from the narrowest reasons of self-preservation and avoidance of disastrous war, it has become necessary to have co-existence between different nations and ideologies. From the larger point of view of assimilation, this is even more necessary. India, for all her chequered history, has adhered to the principle of tolerance and co-existence. Our foreign policy today is not some innovation since independence, but is deeply rooted in our traditions and history. Indeed without co-existence India would itself disintegrate.

We talk of things, material and spiritual. And yet, it is a little difficult to draw a line between them. Every great wave of human thought which has affected millions of human beings, has something spiritual in it. The great revolutions, whether

in the U. S. A. or France or Russia or China, would not have succeeded without a spiritual element which appealed to the deeper instincts of human beings. Social justice has always exercised an appeal to sensitive people. The basic attraction of Marxism for millions of people was not, I think, its attempt at scientific theory, but its passion for social justice. To that extent, therefore, it supplied a spiritual need. It appealed to many intellectuals for other reasons also. Unfortunately, to my thinking, it got tied up in its practice too much with the ways of violence and the suppression of the individual even though this was supposed to be done for the common good.

### **Means And Ends**

I believe that the individual must have freedom to grow and I believe also that wrong means employed must necessarily produce wrong results. What in a particular context is wrong or right may be difficult to say, because life is not very logical and is much too complicated. But deliberately discarding means for ends can neither be right nor ultimately good for the individual or the group. We come back therefore, to the question of standards and values and unless we have these, all the material good that we may achieve may lead to conflicts of the soul and disintegration of the social group. It is true that many individuals have ideals and some of them a social conscience, and these have played a considerable role in social progress. But it is also true that a society does not change itself substantially by the voluntary renunciation of its position by a privileged class.



That privileged class is led to believe, as a group, that it is inherently right for it to have that position. It is only through pressures from the under-privileged that major reforms have been achieved. It is also true, I think, that the general character of social, political and intellectual life in a social group is determined by the productive resources of that group.

### **The Dilemma**

In India, today, broadly speaking, our methods of production are old-fashioned and backward. This leads not only to economic backwardness, but also is a drag on our social and intellectual life. To say that it is necessary to adhere to the old methods in order to maintain our old standards and values means that we must remain poor and backward and only then can we maintain those values. It is true that, as we adopt higher techniques for productive and creative activities, these will affect our thinking and our lives. But it does not necessarily follow that this must lead to our discarding the spiritual and higher cultural values of life. We must not combine spirituality and culture with privilege, on the one hand, and poverty, on the other. We must separate the basic values from the temporary and changing social or economic set-up in which we live. Indeed, it has become inevitable for us to fit in with the modern world of science and technology and it will be dangerous for us to imagine that we can live apart from it. It will be equally dangerous for us to think that we should accept technology without those

basic values which are of the essence of civilized man.

### **Think Anew**

Religion and metaphysics have often been exploited for the protection of privilege and an existing order. So also old economic theories are used to rationalize dominant interests. We have, therefore, to think anew and our national plan must consider the long-term interest of the nation and the people. It should not be based on some calculation of immediate profit or in terms of costs. Education and health do not bring immediate profit and yet, from the national point of view, they are of the highest importance.

We have accepted in India as our objective a socialist pattern of society. That means not only an economic organization but something deeper than that – a way of thinking and living. The acquisitive society whose chief aim is profit-making not only brings petty conflict in this train, resulting sometimes in major conflicts, but also is opposed to the basic urge of modern man for social justice. In the world of today, where we sit on each other's thresholds and constantly rub shoulders with each other, there can be no harmony except in co-operation.

### **Roads To Socialism**

If we are to work for socialism, we have to remember that there cannot be any real socialism in a backward and under-developed country. Socialism and communism were the children of the industrial civilization which led to greater material



resources. Socialism, therefore, is based on the growth of material resources as well as social justice and a co-operative method of working. That holds true in the national sense. Internationally, the world must necessarily go in that direction unless major conflicts destroy it. There may be many ways to that goal, and it may be that the final picture itself may change. We should not try to impose our view or our ideas on others, because each country has to find its own path to progress. There is such a thing as a national culture with its deep roots in the nation's soil and in its history. To uproot a nation is to destroy the soul of that nation which made it a living entity through the ages. This is particularly true of a country like India, whose roots go deep down and whose thought has enriched her and given her strength to overcome disaster and survive even the dangers that success brings.

We inherit this whole past of India with its glory and its failures. We are part of it; we cannot, and must not deny it. But can we live in that past? We have to live in the present and mould the future. That duty and high task are especially cast on the young men and women of to-day. They will have great burdens to carry and great difficulties to face. But they will also have the chance of high adventure and great living, for great living comes by attachment to great causes. They will have to fight the many evils that beset us and narrow us and make us unworthy of this adventure — the evils of religious conflict and bigotry, of provincialism and linguism and casteism.

There is no hope for us if we allow the disruptive tendencies to influence our national life.

### Need For Hard Work

Above all, we shall have to work hard. For it is only through selfless work that anything worthwhile is achieved. And we shall have to work without fear and hatred and not succumb to a narrow nationalism which is out of place in the world of today and out of keeping with our high ideals. That was the lesson of Gandhiji. And it was by acting up to this in some measure that we achieved our freedom. It is by hard work and freedom from fear and hatred that we shall reach the next great goal in our nation's pilgrimage forward. There is, I believe, nothing so bad as fear and hatred. They belittle a man and a nation and make them small and petty-minded. India wants brave sons and daughters who will remember always their great heritage and, keeping firm to their principles, will always stretch out their hands in friendship to others.

Here we stand in Delhi city, symbol of old India and new. It is not the narrow lanes and houses of old Delhi or the wide spaces and rather pretentious buildings of New Delhi that count, but the spirit of this ancient city. For Delhi has been an epitome of India's history with its succession of glory and disaster, and with its great capacity to absorb many cultures and yet remain itself. It is a gem with many facets, some bright and some darkened by age, presenting the course of India's life and thought during the ages. Even the stones here whisper to our ears of the



ages of long ago and the air we breathe is full of the dust and fragrance of the past, as also of the fresh and piercing winds of the present. We face the good and the bad of India in Delhi city which has been the grave of many empires and the nursery of a republic. What a tremendous story is hers! The tradition of millennia of our history surrounds us at every step, and the procession of innumerable generations passes by before our eyes. My own generation will join that procession, and it will then be for you, young men and women, to be the standard-bearers of all the good that we have lived for and that we seek. May it be given to you to face life's problems with clear eyes and without fear and ill-will.

### Source Of Solace

Our ancient literature is full of magnificent thoughts which uplift us and which are as true today as they were thousands

of years ago. It is your privilege to have as Chancellor a man of deep wisdom and humanity, versed in the old lore and the new, and you will learn much from him of this ancient but ever-new wisdom.

I am no scholar, but I have found much solace in times of trouble and difficulty from the wisdom of our old sages as well as from the great men of other countries. Many years ago, I read some lines in an old Greek play by Euripides, and they have stuck in my memory. I shall repeat them :

What else is wisdom? What of men's endeavour

Or God's high grace, so lovely and so great?

To stand from fear set free, to breathe and wait,

To hold a hand uplifted over hate,

And shall not loveliness be loved for ever?

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Deora Village Plan	Re. 1.00
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# WHY KHADI AND VILLAGE INDUSTRIES

(By R. SRINIVASAN)

To persons who have such intimate knowledge of the people in their respective districts and who daily come into direct contact with their economic and social conditions as you do, I cannot pretend to give any new ideas, instructions or inspiration. My approach to the development of Khadi and Village Industries and their place in the national economy today are all the subjects which I can consider myself competent to deal with.

Khadi and Village Industries have been justified on three grounds :

(i) they are capital-light and labour-intensive :

(ii) they facilitate economic development in graduated stages in the areas which require economic uplift most. In other words, undue concentration of industries and the consequent social evils can be avoided and mitigated to a smaller or a greater extent in accordance with the extent to which these industries are developed as an integral part of the local economy.

(iii) As the geographical and technological mobility of our population is strictly limited, because of the predominance of meagrely skilled or unskilled and generally illiterate population, there is need to take the industries to the underdeveloped areas of the country rather than transferring the

population from these areas to places of industrial importance.

## The Advantage

To these three traditional reasons for the advocacy of Khadi and Village Industries another may be added. Mechanized industries, whether large-scale or medium-scale or small-scale, require a considerable volume of social and economic over-heads, such as transport and communications, water, electricity, lighting and several other amenities, besides proper sites for their location. Khadi and Village Industries can be developed almost anywhere inasmuch as their size is small, the draft on raw materials and technically skilled man power is equally small, and scale of operations being limited, they lend themselves to easy integration with the local economy. This is the traditional defence of Khadi and Village Industries and their justification. But the question that we must examine is whether these industries have any survival value. It is to this aspect of the question that I would like to invite your attention.

## Comparative Earnings

If we compare the earnings of the artisans in any of these industries with those of the workers in the mechanized industries, the difference is so enormous as to make these industries worthy of unqualified condemnation. To a large



extent, many are led away by this comparison and condemn these industries outright. What they unfortunately ignore are the disparities between the urban and the rural areas as regards amenities of life, cost of living and a host of other things. Secondly, they also ignore the fact that, in the present economic conditions and in the outlook for the immediate future, there is nothing to warrant any other pattern of development. I would prefer that approach to this question were rather scientific than ideological. What is our present position?

According to the Census of 1951, we have, in the country 357 million people, of whom 295 million are in the rural areas and 62 million people in the urban areas. Only 29 per cent of the total population is self-supporting and 11 per cent earn a little but not enough to support themselves leaving 214 million or 60 per cent of the population as non-earning dependants. Of these 214 million people, 174 million are in the rural areas and 40 million in urban areas. If we calculate from this the number in the working force, that is to say, the population in the age-group between 15 and 55, we find 115 million persons. Even if we make allowances for people in this age-group who were in schools, colleges and so on or for women in urban areas who were busy with their domestic affairs still in India we have today between 80 to 90 million people who are non-earning dependants mainly responsible for reducing the per capita income and consequently the standard of living of the nation as a whole. Though

officially no one has accepted this figure as the volume of unemployment of the country, I would say, with the Census authorities that the size of the non-earning population provides a good, though rough, index of the volume of unemployment in the country. Even if we assume an earning capacity of only 8 annas per head per day India loses 4 to 4½ crores of rupees per day by way of earnings and production. The nation thus loses 1,200 to 1,350 crores of rupees per year because of this unemployment.

This staggering figure conceals another aspect of the real situation. Even the 86 million farmers do not find full-time employment throughout the year. Although officially, under-employment among them is estimated at an average of 90 days a year we, who are familiar with agricultural operations know that for nearly four to five months in the year, farmers are generally unemployed. The national waste of manpower per day, therefore, is staggering by any standard of measurement and the consequent impact on the economic position of the vast majority of the population is indefensible in any pattern of society, let alone in a democracy devoted to the pursuit of a socialistic pattern of society. This is point No. 1 that we must bear in mind in examining the role of Khadi and village industries.

### **Inequalities**

According to the latest statistics the average per capita income in the country is Rs. 285. According to the Agricultural Labour Enquiry carried out by the Union



Ministry of Labour, the per capita income of the agricultural labour families works out to Rs. 100 per year; and if we work out from this figure the income per month, it is seen to be less than even Rs. 9 per month.

According to the National Sample Survey carried out by the Indian Statistical Institution, quite a sizable number of families both in the urban and in the rural areas live not on that so called point of semi-starvation, but considerably below it. In a democracy with adult franchise, the question is, can this position be allowed to continue? Now, even if a person was given the means whereby he or she can earn four to six annas a day, he or she may be able to raise his/her standard of living and consumption by Rs. 8 or 9 per month which, as I just now explained, is about the average level of income per month per person. In terms of large-scale industries and the earnings they provide, this may not be much; but in comparison with the actual situation as it obtains in the major portion of the country, it is almost a doubling of their present income and consumption. This is not a theoretical analysis or approach, but a direct measure of considerable consequence – because no other method is available to raise the standards of living and consumption.

To sum up, the volume of unemployment and under-employment in the country is of staggering proportions. The nature and the extent of the inequalities of income and consumption from no point of view, political, economic or social is justifiable

and consequently demands an immediate solution.

### Technology

Very often, people in all walks of life have observed that development of Khadi and village industries is a national waste because it fritters away scarce capital resources. Although they provide additional employment – employment at very low levels of wages – there are two or three considerations which I would like to place before you.

Can we have sufficient number of mechanized industries to provide employment to as many of the people as are in need of it in the rural and urban areas? As you know, to set up a mechanized unit an enormous volume of capital is required. In the textile mills which are relatively easy to set up, the per capita capital investment works out to Rs. 1,500 to Rs. 2,000; and if an attempt is made to set up a unit like those in Japan or in America, the investment per capita will roughly be Rs. 5,000 to Rs. 7,000. Capital investment is considerably greater ranging between Rs. 10,000 in machine-making industries to Rs. 20,000 to 25,000 per head in steel factories. Thus, in relation to the employment, the capital required is very large. The earnings per capita in these industries are not proportionately greater. For instance, as against the present investment of Rs. 1,500 per head in the textile mills in Bombay, the earnings per capita are Rs. 1,000 a year. But while the investment per capita of the Jamshedpur steel factory works out to



Rs. 15,000 per head, the earnings are only Rs. 1,200 per head per year.

Industrial development is not merely one of finding the capital resources, but also of finding suitably trained technical personnel. Even if the capital required for mechanizing all industries is found, there will still be the problem of training people and so long as most of the population is unskilled, productivity will not be commensurate with the investment. It does not take much thought to establish that the formulation and implementation of technical training schemes to raise the technical efficiency of our people to the level at which they can stand comparison with their counter-parts in Japan or Germany or any other industrially advanced country, will take considerable period of time. Moreover, there is the social problem associated with industrialization. Urbanization, it has been conceded on all hands, tends to destroy the individual unless it is off-set by a number of precautions to control its pace. Consequently, industrialization of this type will necessitate tremendous expenditure on social overheads.

### **The Hurdles**

Apart from these, to raise productivity of persons employed in these industries will necessitate creation of facilities for training on a commensurate scale. On each of these items the expenditure is bound to be enormous in volume. All said and all assumed, I believe the question still remains whether employment opportunities can be created on the scale re-

quired or as fast as the population growth in the country demands. On an objective assessment of the present achievements, it will be seen, that it is practically impossible. Moreover, the pace of industrial development can be accelerated either through electricity or through coal or through diesel oil. Almost each of the items involves a disproportionate foreign exchange component and, consequently, it is difficult to accelerate their development. If we consider the foreign exchange obligations we have already piled up, (you are all aware that roughly about 600 crores a year will have to be found to service the loans already taken and pay interest on them each year during the Third Five-Year Plan) the pace of development will have to slow down rather than increase. Even if we assume that during the Third Plan period, much higher rate of development in the matter of power can be achieved, and its benefits realized during the period itself, there might be about 50,000 villages at the end of the Third Plan period as against 10,000 villages at the end of the Second Plan. That means only ten per cent of the villages will be covered and that, too, in as disproportionate a manner as one can conceive. The argument advanced above, thus shows that though theoretically, industrialization of the type adopted by the Western countries may seem to offer to provide solution for the economic uplift of the country, it presents far too many problems and imposes far too heavy a money burden for so poor a nation as India. This conclusion is incontrovertible judged



by the assessment made by the Planning Commission and by the World Bank recently.

### **The Alternative**

I have discussed briefly the present economic structure of the country and compared the needs with capacities. Realistically speaking, the way out, to my mind, would be to activate the vast mass of unutilized labour resources in the country. This is dependent on a number of factors. So far, operations of the "Grow More Food" campaign of the early fifties and of the Community Development programmes have tended to inculcate a spirit of dependence rather than evoke independent thinking or initiative among the masses of the population. While we are aware that, though illiterate, our people are intelligent, we have not so far succeeded in either sustaining their interest or channelizing their intelligence in productive channels. This is the most important problem that we have to tackle effectively at all stages. As I said at the outset, Khadi and village industries lend themselves to effective integration with the local economy. What is local in this context has not yet been defined or even clearly understood. While one industry may have a direct significance to the well-being of a village of 5,000 people, another may be important only to a group of villages spread over a relatively larger territory. But the significance of each of these industries lies in this that almost everyone of them can begin to contribute to the economic uplift of the population so long

as marketing of their products is ensured. Thus, production, employment and sales are inter-related and the responsibility of the population in this development is what deserves to be understood and inculcated. The skill, the technique, the initial effort together with the necessary financial support are available from the Khadi and Village Industries Commission. What is required in the field is the willingness to organize and shoulder responsibility.

What I have said so far can be summed up as follows: To tackle the problem of unemployment and under-employment is a political, social and economic necessity. But the means available to us at present, whether these are computed in terms of capital or technical skill or facilities for its acquisition or for sustained development are, on the one hand, limited and, on the other, the pace of development that can be initiated cannot absorb the unemployed in the country. Consequently there is need to look for another pattern altogether. This is where the Khadi and Village Industries come into the picture.

To assess the scope for the development of these industries, we must make a distinction between Khadi and village industries. The Khadi industry whether it is on the traditional Charkha or on the Ambar Charkha is capable of providing additional employment opportunities to new artisans, whereas except a few industries, such as soap-making with non-edible oil, bee-keeping, fibre and cottage match, to



mention only a few of the more important, the bulk of the village industries under the purview of the Commission seek at present to improve the operational conditions of artisans already engaged in the industries rather than create fresh employment opportunities. This narrows down our problem to manageable proportions. Of the industries under the purview of the Commission, only Khadi can provide large additional employment and all other industries can at best provide additional employment only at the margin. But generally, every one of them is capable of being so developed as to provide considerably enhanced earnings to the artisans engaged in them.

### Employment

During the period 1953-57, Khadi industry provided an additional employment to about 10 lakhs of persons. In 1953, when the All India Khadi and Village Industries Board was set up, about 3 lakhs of persons were engaged in the traditional Khadi industry. At the end of 1957, the artisans registered with the various certified institutions in the country numbered 11.21 lakhs, an increase of 8.21 lakhs over a four-year period. The Ambar Charkha programme provided employment to 1.75 lakh persons. Together thus, the net additional employment provided was nearly 10 lakhs of persons during the four-year period.

In a little less than two years the Ambar Charkha programme has created employment opportunities in the rural areas for nearly two lakh persons and the average per

capita earnings assured by the programme, is not less than Rs. 10 per month or Rs. 120 per year – an income which compares very favourably with the present average annual per capita earnings of about Rs. 100 in the rural areas. While this is the average earnings on the Ambar Charkha, large numbers of families in Rajasthan, in Punjab, in parts of Uttar Pradesh and Bihar, in several parts of Madras and Andhra have earned as much as Rs. 80 to 90 per month for several months at a stretch. In other words, the Ambar Charkha programme, wherever it has been properly organized and worked, has proved to be as remunerative an employment as any other, because the monthly income of Rs. 50 per family, in the present economic conditions cannot be considered negligible. Moreover, this programme has not called for social overheads such as housing, factories, or similar facilities. The provision of essential service facilities such as supply of spare parts, raw cotton, collection of yarn and arrangements for its distribution among weavers, etc. do not present too many difficulties for the institutions. I do not however, claim for the present, that there are no problems and that the Ambar Charkha is an unqualified success. What I seek to emphasize is that the Ambar Charkha has definitely proved its potentialities beyond question. What remains is the problem of effective organization.

### Village Industries

The progress in the village industries has not been as impressive or satisfactory as in the case of Khadi for many



obvious reasons. Unlike in the case of Khadi industry which had a number of institutions working for some decades in the country, village industries had not many institutions and these had to be created in the initial stages. There are a number of initial difficulties even in organizing the supply of improved equipment to the artisans and in creating essential institutional frame-work for the distribution of raw materials. In several cases, there have been many administrative difficulties such as for instance in taking out excises licence for cottage match centres, or social resistance as in the case of the flaying and carcass recovery sections in the leather industry. Over all, in industries such as village oil, soap making, pottery, fibre, handpounding of rice, during the four year period of the Commission's activities, about 6 lakhs of artisans are being benefited directly. While in the case of telis and soap-makers, the benefits have been substantial, in the case of others, they have not been as impressive owing mainly to the problems I mentioned earlier. This brings us to the immediate problem of creating an organization that has inherent strength capable of sustaining the activities to ensure development of these industries on cooperative lines over a considerable period.

The artisans engaged in the village industries, like the farmers, are also interested in their own economic welfare; and if the facilities, financial and technical available from the Commission, are made known to them, the response cannot but

be enthusiastic as we have reasons to believe. Consequently, if adequate steps are taken to give publicity to the aids available from the Commission for the industries under its purview, the artisans, resident in your district or talukas as the case may be, are likely to approach you for further details and guidance. It is at this stage that, perhaps, you can be of maximum assistance to ensure the progressive improvement in the economic conditions of the traditional artisans in the villages. We have already in the field village level workers and the Industries Officers. Through them, early steps can be taken to organize these artisans into some kind of an organization so as to avail immediately of all the facilities provided by the Khadi Commission.

### Ambar Charkha

As regards Ambar Charkha, it is necessary to convince the people regarding its potentialities. You are aware that the original Ambar Charkha prepared in 1955 has considerably changed. Today, as a result of a number of modifications and adjustments made possible by the Ahmedabad Textile Industry Research Association, the Research Institute of the Commission and the Sarva Seva Sangh, the operation on the Belni, hitherto the most difficult instrument, and on the Charkha has become not merely lighter than before, but more productive. The use of fibre washers and nylon belts (malas) has improved the productivity under laboratory conditions. Field tests carried out on the improved Charkha in various parts of the country show that productivity can be raised by 25 to 40 per cent depending



on regular supply of the required quality of cotton and experience of the spinner. Once this potentiality of the Ambar Charkha is explained to the artisans there is no doubt that people will come forward to take training in its use as a means of livelihood.

### Organisation

Although to my mind the co-operative organisation is the most appropriate for Khadi as well as village industries, it is best that we recognize the difficulties in relying only on this organisation right from the start in respect of Khadi work. If we look into the history of the Khadi activities, we see that the premier all India parent organization started by Gandhiji viz. All India Spinners' Association was an institution registered under the Societies Registration Act (Act XXI of 1860). In later years, this was followed by State-wise institutions also formed under the above pattern. This pattern was then necessary before Independence for we had to deal with an alien rule which had not taken kindly towards this work. The organization that could be formed had to be compact and well-knit consisting of members having one mind and purpose. Now that the circumstances have changed, it is essential to switch over to the more democratic set-up of the co-operative pattern. But we have to realize that the process of switching over to this new pattern in respect of Khadi will necessarily have to be gradual. In the matter of village industries, however, since the organisation has newly to be built up for them, the co-operative method, I think, will be preferable even from the start. As the purpose of

community development is to strengthen the community to undertake development on its own, the co-operative system which develops its own strength over a period of time is definitely preferable to registered institutions and hence the ultimate objective should be towards the formation of co-operative societies.

Before I conclude, I should like to add a few words regarding the future of these industries. As far as we can see into the future, industrial development should be as far as possible decentralized, because this is the path of economic philosophy which we have more or less adopted. If the proposed Committee to be sent to China and Japan to study their method of small-scale industrialization, suggests any pattern, I am sure it will be one of decentralized industrial development for our country to follow. But even for this, as I said at the outset, availability of power on the one hand, technical training facilities on the other, would be a *sine qua-non*. Provision of these two basic facilities strengthened further by adequate development of transport and communications to sustain the larger levels of output and consumption will take a considerable period of time and probably extend well into the Sixth and Seventh Five Year Plans. In any case to be effective in the immediate present, there is, to my mind, no other effective alternative but the planned and sustained development of village industries so as to provide the population with the immediate essential requirements, and, if we study the economic situation as it is and seek to modify our programmes, in accordance with



the actual requirements, I am sure the significance of these industries to the economic uplift of the down-trodden sections in the population will be apparent.

(Text of the talk given by Shri R. Srinivasan, Member, Khadi and Village Industries Commission on 30.10.1958 at the Central Institute of Study and Research in Community Development, Mussorie).

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# TOWARDS SELF-SUFFICIENCY

( By G. VENKATACHALAPATHY )

Those who are acquainted with the history of Rural Development in India know that Mahatma Gandhi started this work with his Constructive Programme forty years back. This was his mission and work all through his life. Great importance was given to self-sufficiency in his Constructive Programme.

The object of his scheme of Rural Development, in short, is "to organize the villages for a happier, more prosperous and fuller life in which the individual villager will have the opportunity to develop, both as an individual and as a unit of a well integrated society. This has to be done by using local initiative and local reserves to the utmost extent possible in the economic political and social fields of reconstruction on co-operative lines. Self-reliant, self-dependent and properly organised life in the villages will be the aim. Such work should ultimately lead to establishment of a just and democratic social order along peaceful lines." In Gandhiji's words such a new social order should be "casteless and classless."

But today those who think and talk about Community Development feel that village self-sufficiency is not practical or possible and that Gandhiji should not have laid so much stress on it. If only they would clearly see what he conveyed by

village self-sufficiency, then I have no doubt in my mind that they would come to the conclusion that a really good community can be developed only through it. Therefore, I would like to explain what Gandhiji wanted us to understand when he talked of village self-sufficiency.

The village in his conception must be independent of its neighbours for its vital wants like food and cloth. He did not desire that should exist in isolation. He wanted it to be inter-dependent for many others in which dependence is a necessity. Khadi occupied a central place of importance in his constructive programme only with this end in view. "Every village's first concern will be to grow its own food crops and cotton for its cloth." The cotton should be spun and woven into cloth in the village itself for self-consumption. To accuse Gandhiji, that by stressing self-sufficiency he advocated a subsistence economy is to wilfully misunderstand or misinterpret him. It is a philosophy of strength which can lead to a free and rational production and distribution of the surplus in others.

Another unjust charge was that he was an enemy of the modern machine and that he set back the clock of progress. He had himself replied to it more than once in categorical terms, Khadi does not seek



to destroy all machinery. But it does regulate its use and check its speedy growth. It uses machinery for the service of the poorest in their own cottages. According to him if India takes to Khadi and what all it means, there was the hope of its taking only so much of the modern machinery as may be considered necessary for the amenities of life and labour-saving purposes. The remedy is a radical simplification of the mechanics of living and of re-organisation of society on the basis of individual and regional self-sufficiency.

His humble occupation has been to show people how they can solve their own difficulties. He stated, "My work will be finished if I succeed in carrying conviction to the human family, that every man or woman, however weak in body, is the guardian of his or her self-respect and liberty. This defence avails though the whole world may be held against the individual register." "The individual is the architect of his own Government. The law of non-violence rules him and his Government. He and his village are able to defy the might of the world; for the law governing every villager is, that he will suffer both in the defence of his and his village's honour." It was his deep conviction that until each village attained self-sufficiency in its vital wants and capacity to govern and manage its affairs, the Indian Community could not be considered as fully mature and grown.

Village self-sufficiency holds good to-day and should hold good for ever. In the statement of the objectives of the National Conference on Community Development

held at Mount Abu in May, 1958, these principles are reiterated. These principles were affirmed as the promotion of the all sided development of the village community and in particular (a) development of a spirit of community life, (b) making the village self-sufficient in the primary needs of life such as food, clothing and shelter and (c) developing self-reliance in the individual and initiative in the Community.

Village self-sufficiency, therefore, is the true hall mark of the emergence and realisation of a stable and good Community which in turn leads to permanent harmony, goodwill, peace and prosperity.

( Courtesy : Madras Information )

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# “TREE COTTON FOR KHADI”

( BY V. R. DHARWADKAR )

From time immemorial cotton is grown in India. It is all an annual crop, and is grown both as Rabbi and Kharif. Kharif sowing is in June-July and harvesting takes place in December-January, while Rabbi sowing is in August-September and picking is in February-March. Kharif cotton is found in Bengal, Punjab, Nagpur, Bihar, Khandesh, Marathwada, while Rabbi is found north of Mysore State. The annual production of cotton in India is about 45 lakhs of bales. The portion of Punjab growing about 12 lakhs of bales of Cotton of long staples went to Pakistan. Hence India has to import about 12 lakhs of bales of long staple from Egypt and America which costs about 70 to 80 crores of rupees. To increase production of long staple cotton in India, the Agricultural Department and the Indian Central Cotton Committee both are trying.

## **Tree Cotton (Perennial Cotton) :**

This Cotton was imported in India about 300 years ago from Egypt and America and its trial was made by foreigners all over the country. Since then this cotton is found in all the parts of India. This plant remains in the ground during yield for 8 to 10 years. Hence it is called “Tree Cotton”. As tree cotton lasts 8 to 10 years and as it has long staple, people started to plant in sacred places

like temples and *maths* and also in backyards like the sacred “Tulsi” plant. The cotton is for preparing sacred threads and wicks. Hence it is called “Deva Kapas” (cotton of God).

**Kinds Of Tree Cotton :** There are two kinds of tree cotton :

1. Kidney type in which five, seven or nine seeds are linked together. This type is very hardy and its lint can be separated only by hand.

2. The second type is a single seeded one. Lint can be separated by hand easily or it can be separated by “Surat hand gin”. On larger scale, it can be ginned on machine. Ginning with single rolled gin has been found to be successful. In single seeded type ginning percentage is from 30 to 37 and the staple length is from 7/8" to 1½". Both these types are known as “Deva Kapas”.

## **Spread Of Tree Cotton In India :**

Since the last three hundred years when people came to know that the tree cotton lasts for 8 to 10 years in the land and it grows in any kind of soil and anywhere in the heavy rain fall tract and where no annual cotton grows, this cotton slowly spread to all parts of India. The produce was used for sacred threads and wicks. This cotton has found its way into the heavy rainfall area where no annual



cotton is grown. From this we can see that in heavy rainfall tracts almost in every house two or three plants of tree cotton. The experience of these growers of tree cotton in this tract shows that the plants last 8 to 10 years. There are no big cotton plantations either in "Konkan" or "Desh". But if people care to have it, they can grow 7 to 8 plants in their compound or backyard and cotton obtained from them could be used for "hard-spinning". Thus in the Konkan, Patti Cotton for spinning will be available for the coastal area and there will be great impetus for spinning.

**Tract And Land For Growing Tree Cotton :** (a) This tree cotton grows well in any kind of well drained soil in Desh and in heavy rain fall areas.

(b) In Desh, villages are located generally on drained and hard land. In such places, tree cotton can be grown in the backyards of the houses and it grows well if watering is given when necessary. In the black soil of Desh, it does not grow well.

In other tracts, watering is not necessary, but if given, better yield of cotton will be obtained. This cotton grows well in the *murum* soil of Konkan and on the slopes of hills.

**Usefulness Of Tree Cotton :** This cotton grows in light soils and in heavy rain fall areas at a far less cost of cultivation and attention. When such is the fact, it is strange why people do not take to growing this cotton. People in heavy rainfall tracts, perhaps, do not know or have not been

shown the advantages of growing this cotton in their light soils.

Our country requires 10 to 12 lakhs of bales of long staple cotton and for this she has to depend upon foreign countries. For nearly forty years the Indian Central Cotton Committee has been spending lakhs of rupees on the improvement of Annual Cotton. If it spends few lakhs to find out the possibilities of growing Tree Cotton in heavy rain fall areas we can grow the long staple cotton to meet our national needs. It may be stated that the possible area in the heavy rain fall tracts available for planting for Tree Cotton is about double the area of Annual Cotton. Any country would take the advantage of such a source of national wealth and develop it with utmost energy.

**Hand Spinning :** Since Mahamta Gandhi started the movement for revival of the charkha, hand spinning became popular not only in the area where cotton grows, but also in tracts where the Annual Cotton does not grow. In the area where cotton is not grown, hand spinners have to depend upon other areas for their supply of cotton. This acts as a hindrance to the progress of spinning and production of hand-spun yarn is affected. If Khadi workers and spinners in such areas take to growing 7" to 8" tree cotton plantation in their backyards or compounds, they can get good cotton free and production of Khadi can increase by leaps and bounds.

**Details Of Cultivation Of Tree Cotton:** According to the climatic condition and nature of soil, our country can be divided



into three main regions:

- a) Heavy rainfall area with over 50" rainfall or coastal regions ;
- b) Area with less than 50" rainfall ;
- c) Area where rainfall is below 25".

In the heavy rainfall area, Annual Cotton can be grown :

- 1) A pit 18" square and 18" deep should be dug at a distance of 8' to 10' apart.
- 2) The dug earth should be kept on the sides of the pit. Pebbles and stones from the dug earth should be removed and one basketful of dung manure should be mixed with it and the pit filled up to the ground level or better 6" to 9" above the pit in a slope.
- 3) In each pit, three seeds should be planted at a distance of 2" and 1" deep in a triangular position. This plantation should be done by the 15 th of April.
- 4) This plantation done by the 15th of April, requires watering till the rains start by which time the plants will have attained a height of 12" to 18" and so they will stand in the later heavy rainfall and draw nourishment from it. The reason for planting in April is that, sowing in June during continuous heavy rainfall will result in the seeds rotting and not germinating.
- 5) The best method of getting good strands of tree cotton plant in heavy rain fall tract is to grow seedlings

during the month of April in small pots of 12" length. These seedlings should be planted in each pit before the rains start. This may also be done just after the heavy rains stop when transplanted plants should be watered till the next rainy season. After that, no further watering is necessary.

- 6) In each pit only one strong and tall plant should be kept would be stronger and healthier.
- 7) In other parts where rain fall is below 50", planting should be done in the pits just before rains start and after the rains watering should be done till the next rainy season. Later no further watering is necessary.
- 8) During the rainy season, weeding should be done wherever necessary.
- 9) Generally, by the end of the first year, the plants grow to a height of 4' to 4½' and flower. At that time the top of the plants should be trimmed or cropped so that the plant would have fruiting branches. When the second year begins, weeding should be done and a basketful of dung manure mixed with one lb. of any oil cake manure should be given, well mixed with earth round the plant, so that we get good numbers of flowers and fruits in November or December.
- 10) If treatment is given in this manner, the plant lasts for 8 to 10 years or more and gives regular good yield.



- 11) If we get insect attack on the plants, spraying of "Endrin" one or two times is necessary.

**Miscellaneous Suggestions:**(1) Unripe and yellow cotton should be removed or not to be picked from the plant, as this contains very weak staple or fibre which does not give strong yarn.

(2) Tree Cotton contains almost no leafy matter. Hence the slivers prepared for spinning are better and its spinning processes goes without any hindrance. We can get 40 to 80 counts yarn from the Tree Cotton. From this year we can manufacture good quality suitable for *dhotis* and *saris*.

**Supply Of Seeds:** 1. In heavy rainfall tracts "Gramodyoga" Centres should select about 4 to 5 acres of good land for planting Tree Cotton and plant saplings systematically. Seeds obtained from these plants should be distributed to the spinners and Khadi Swavalambis. A co-operative of Tree Cotton Seeds Multiplication Society may be established in each State. There would be about 400 plants to an acre, that is 2,000 plants in a plot. From these 2,000 plants, we can get seeds to supply to about 3,00,000 spinners and tree cotton growers. One centre in each State should reserve four or five-acre plots for tree cotton growing for seed purpose, so that the seed supply will be regular. In the first instance, the seeds for a five-acre plot must be obtained from a tree cotton expert. The seeds must be from selected plants. The seeds required for this plot will not be more than 2,000 in number.

This method should be adopted until we get seeds either from a Tree Cotton

Research Station of the Agricultural Department or the Indian Central Cotton Committee or by the Khadi Commission.

If Tree Cotton planting is included in the "Vanamahotsav" movement, rapid progress of cultivation of Tree Cotton will become a nation-wide effort.

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# NEWER AND BETTER USE OF NON-EDIBLE OILS

(By P. V. SHRIKANTA RAO)

The importance of any oil, whether edible or non-edible, lies in its property or properties. Once these properties are made available in a usable form, the problem of utilising them is eventually solved. In the initial stages of the Oil Industry, many oilseeds remained out of our purview and were not brought into general productive use. The recent developments in oil technology in the shape of solvent extraction processes, improved contrivances for the crushing of the oilseeds, the methods of refining etc., have offered considerable opportunities to exploit even the non-edible oilseeds fully for various purposes. No distinction need now be made between edible and non-edible oils from the view point of chemical properties.

## Non-Edible Oils Industry

Compared to the edible oils, the non-edible oils pose peculiar problems in view of their strong colour and odour. In other words, the presence of resinous matter in these oils has made them ineffective for edible uses. The use of these oils, therefore, is restricted to purposes other than as edible fat. The different uses of these non-edible oils known to be in vogue from ancient times are mainly for lighting, lubrication, as

varnish, tanning of leather and, in some cases, for medical purposes. The advance in the researches in the field of technology of oils and fats has shown that a more profitable use could be made of these oils, in pharmaceutical and other consumer industries. The important among these oilseeds whose availability potentialities are now beyond doubt, are Mahwa (*Bassia Latifolia*), Karanja (*Pongamia Glabra*), Pilu, Khakhan (*Soladora Oleodites*), Pisa (*Actinodaphne Hookeri*), Undi (*Calophyllum Inophyllum*), Maroti (*Hydnocarpus Weightiana*), Makala (*Mallotus philippinses*), Konkam (*Garcinia Indica*), Neem (*Azadirachta Indica*) and Nahor (*Mesua Ferrea*). There are many more which can also be put to profitable use; but, as yet, not much attention has been bestowed towards exploiting them to advantage.

It is time that a concerted effort is made so that the different uses of these non-edible oils can be studied carefully with the object of harnessing this resource which is so bountiful in our country, for the benefit of mankind by the application of available scientific knowledge. The lead given by science should be followed by commercial activities by making these oilseeds available in the best possible way.

## Industrial Uses

Let us not confine ourselves only to the



commonly known uses as stated above, i.e., use for lighting, lubrication and so on. At present a great portion of the edible oils is consumed for industrial purposes, including soap making and paint and varnish. The annual per capita consumption of soaps in our country is much less as compared to those in Western Countries where the consumption is 15 to 25 lbs. as against 19 Ozs. in our country. At the end of Second Five Year Plan it is expected to reach the target of 3 lbs. per capita annually. Besides their use in soap making these oils can be put to valuable uses. For example, Mahwa can be utilised in confectioneries on glycerine, Neem oil textiles, leather and rubber processing, Pisa fat for cosmetics and Agarbatties. Undi oil for the waterproofing and so on. Indeed, there is wide scope for the consumption of this commodity in many fields.

Talking of utilising these non-edible oils for making saponified soap, we cannot overlook the necessity of refining these oils as a precondition to their use for soap manufacture. While doing so, technological developments in the manufacture of different detergents in different countries cannot escape our attention. During recent decades a serious competitor of soap has arisen in the shape of synthetic detergents or "syndets" as they are called. These *syndets* are not only known to be equivalent to soap with regard to cleansing properties, but in some respects even superior, their most conspicuous advantage being insensitiveness to hard water. The use of these *syndets* was earlier restricted almost exclusively to industrial application, e. g. for textile finishing. They have now

made their way into households as well for dish washing, floor cleaning, shampooing, cleaning of finer textiles like wool, silk etc. In the United Kingdom the saponified soap has been replaced by these *syndets* to such a considerable extent that, today, only 33 per cent of saponified soap is made use of, mainly as toilet soaps. The use of saponified soaps in our country will continue to have its own place, as the *syndets* have not yet established their popularity. The fact, however, has to be recognised that only a saponified soap which can assure a high washing and foaming power, mild alkalinity, or tendency to turn rancid, no cracking even when washed down, economy in use, can survive in view of the hard competition offered by *syndets*.

### By Products

The by-product-glycerine-obtained from the spent lye is another important aspect. Recovery of glycerine from spent lye is costly. The method of fat splitting with water is considered to be superior and the use of fatty acids instead of fats and oils has several other advantages for the soap makers.

Of the different non-edible oils, those most suitable for soap makers are Mahwa, Neem, Pilu, Maroti, Undi and Pisa. Pilu and Pisa are rich in lauric acid—the Pisa fat contains over 90 percent lauric acid. As such, the importance of these two oils for soap makers is unrivalled. Western countries, particularly, Germany, are anxious to import groundnut and mahwa oils.

Oleic acid and other saturated acids have been found to be extensively useful in



the manufacture of rubber, carbon paper, typewriter ink, cosmetics and toilet articles, according to the reports of work done at the Regional Research Laboratory, Hyderabad, for the separation of high purity oleic and saturated acids from tallow. By forming glycerine and alcohol, production of detergents and creams and other toilet preparations has been made possible in Western Countries.

Another important product from oil is *lecithin*, a class of complex organic compounds containing nitrogen, phosphorous, fatty acids, that occur in small quantities in many animal and vegetable tissues. With the exception of egg yolk, *lecithin* which is used for pharmaceutical purposes, the commercial product is generally obtained from vegetable oilseeds and consist of a mixture of 56 to 64 per cent of natural surface active agents and 35.5 per cent of vegetable oil. The use of this is made in small quantities as an anti-spattering agent. It is also used as an antioxidant to prevent test reversion of deodourised oil, as an emulsifying agent in the manufacture of chocolate and other confectionery.

The use of these oils for paints and varnish is principally as dispersing agents for the facilitation of grinding elimination of flooding, and so on. In water paints, it is used with advantage as a dispersing and stabilising agent.

There are many more oils like tobacco seed oil which may be used specifically for varnish paints industry provided these

could be exploited fully.

Our country needs to continue export of oilseeds and oils which have ready markets outside. At the same time, it is necessary that supplies required within the country should be properly regulated so that the requirements of fats for edible and industrial purposes could be adequately met. That we are deficient in fats needs no special mention. Although we produce 1/6th of world's oilseed production, still our people do not get even 25 per cent of the minimum fat supply for nutrition. All these certainly justify the urgency with the problem of exploiting the non-edible oil resources to the maximum has to be dealt with. These non-edible oilseed resources require to be adequately surveyed and organisation built for their collection.

It is gratifying to note that Government of India has accepted this position and included the development of non-edible oil industry as part of the national programme to be worked out through the agency of the Khadi and Village Industries Commission. The Indian Central Oilseeds Committee has also laid adequate emphasis on the development of this industry. Only a proper coordination of the activities by different agencies and a correct estimation of the technological development, on the one hand, and the requirement of the pattern of economy that would suit the country on the other, are essential features that should guide these agencies.



# THE RATIONAL FATHER

( BY G. D. H. COLE )

Any man who lives to be 87 runs a big risk of outliving the causes in which he has spent the better part of his life, and of being, if not forgotten, largely ignored in his latter years. This fate, indeed, befell Robert Owen, the centenary of whose death falls next Monday. Yet it had been his fortune in his day to inspire mass feeling and to be a great and lastingly significant influence in more than one capacity, playing in his single-mindedness of outlook roles not easily reconciled in the person of one man.

At the root of Robert Owen's ideas lay the belief that men's characters depend above all on the circumstances they are placed in; and that it is wrong to blame them if, placed in unfavourable conditions, they proceed to act amiss. The main emphasis, therefore, should be laid on surrounding men with circumstances in which they will be encouraged to act rightly. By this, Owen did not mean that individual differences of temperament count for nothing. What he meant was that in every society values are socially determined, so that each society tends to get the men and women it deserves. Applying this to his own society and others of the early 19th century, he saw them as being so designed as to encourage individual self-seeking on the part of their members, instead of a spirit of friendly

collaboration in the common service; and the religions practised in these societies seemed to him bad because they blamed men for their individual misdeeds instead of blaming society for encouraging them to act amiss.

Up to a point, Robert Owen's story is like that of any successful fortune-hunting capitalist of the Industrial Revolution; for before he became known as a social Reformer or Socialist, he had made his name and fortune as a great employer—the famous Mr. Owen of New Lanark, whose highly successful cotton spinning factory observers came from all over the world to see. But even at this stage he was no ordinary employer; for he recognised an obligation, as most employers of his day did not, to provide for the well-being of those whom he employed. When his mill was shut down because his materials were cut off by war blockade, he went on paying wages though no work could be done; and later, with the aid of like-minded partners, he put into force a system under which surplus profit were to be for the benefit of the workers employed. By the time he was able to do these things he had already made his bow as a reformer, expounding his views in his *New View of Society, or Essays on the Formation of Human Character*, which he published in 1813 and 1814.



He first aroused widespread attention when, during the period of unemployment and distress that followed the Napoleonic wars, he came forward with a practical proposal that, instead of maintaining the workless in unproductive idleness, society should settle them in villages of cooperation where they could produce and consume together, instead of being a burden on the rest of society. This was the theme of his addresses of 1917 and of his great *Report to the County of Lanark in 1820*, and on this conception was based his much wider notion of reorganising the whole world into villages of co-operation which would render states and governments unnecessary.

Himself an expert in mass-production and well aware of its great achievement in the cotton industry, Owen was very ready to believe that what had been achieved in one field of production could be achieved in all, and that the problem of producing enough to assure everyone the material means to a full and rounded life had already been solved. In imagination, he saw the whole world covered with fruitful villages of co-operation, which would have nothing to quarrel about and would be for the most part self-sufficient, combining agriculture with industry and exchanging their surpluses one with another. For a little while he received much influential support for his projects; but some of this fell away when it was realised what they involved in the way of social reorganisation, and in particular how his conception of the functions of human character put him in out-right opposition to the religions of his day.

Only among the working classes did

Owen's doctrine find a lasting response. Before long, disgusted at the rejection of his projects by those best able to give effect to them, Owen shed the dust of the old immoral world from his feet and set out to establish a society of the type he wanted in what he hoped was the still uncontaminated soil of the United States, where he launched his settlement of New Harmony in 1825. But he soon found that it was not so easy as he had hoped to find men prepared to follow his ideas in practice; and by 1828 New Harmony showed every sign of breaking down.

Owen returned to Great Britain just when the great struggle that culminated in the Reform Act of 1832 was reaching its height. Those years of political struggle were also a period of great advance by the workers in other fields, especially the forming of trade unions and co-operative societies of various sorts. Among the working-class leaders were many who had been deeply influenced by Owen's ideas; and, almost against his will, he found himself regarded as the leader of a great working-class revolt. When the Reform Act of 1832 had left the workers still voteless, they turned *en masse* from political action to an attempt to amend their condition by economic means. Trade unionism which had been legalised only in 1824-5, after 1832 developed into a mass-movement and many of its active leaders tried to induce it to follow Owen's ideas, pronouncing that employers were unnecessary and that production could best be organised on a co-operative basis. The employers and the government took alarm and, acting together were strong



enough easily to crush out the mass-revolt. The great trades' union of 1833-4 fell to pieces even more rapidly than it had come into being; and the defeated workers swung back to political action in the Chartist movement.

After that, Owenism became the doctrine only of a sect, no longer able to exercise any mass-appeal. From then on it had two main aspects—rational religion and human co-operation. On the one hand the Owenites became organised as a religious – or irreligious – sect, repudiating all the established religions; and Owen, as the Rational Father, became the head of this sect, which had bodies of faithful disciples throughout the country, mainly of the working class. But, in addition to this, the Owenites continued to advocate settlement in productive village of cooperation and in 1839 they actually established such a village at East Tytherly, in Hampshire, under the name of Harmony Hall.

There, as in New Harmony in America, Owen found that it was not so easy to get men to live according to his principles; and by 1845 Harmony Hall had disastrously broken down but again had not shaken Owen's faith in the soundness of his broad ideas. He continued to advocate them to a steadily diminishing audience of the faithful; but as a practical influence he had ceased to count. In his old age, he took to Spiritualism and reported his communings with spirit, among others, of Queen Victoria's father, the Duke of Kent. Meanwhile the working-class movement had taken a new direction not directly subject to his influence; and the New Unionism of 1850 was based on

a broad acceptance of capitalist employment and an attempt to make the best of it by collective bargaining. At the same time a new kind of cooperative, society believing in consumers' control, came into being, of which the outstanding example was the Rochdale Pioneers' Society of 1844.

Owen's influence largely forgotten till, amid the great depression of the 1870s and the early 1880s, men began again to question the very basis of the capitalist system. Then, indeed, some of them remembered Owen's ideas; but the main influence of the time was rather that of Karl Marx, with his emphasis on the class-struggle and on mass political action by the workers. Yet there have always been Socialists to whom the essentially ethical basis of Owenism has made a strong appeal; to whom it has appealed strongly above all because Owen insisted on the key importance of human community-making and of the close personal links between the members of all countries united in producing a common remedy. Indeed, this latter belief has of late gained fresh force among those who are antagonised by the growth of vast totalitarian societies.

Owenism has in my opinion a great and important part to play in the making of modern Socialism. For Owen, though he was often unpractical and very difficult to work with, had the root of the matter in him; he realised that the great task is that of making a kind of society in which the individual can express himself in friendly collaboration with his neighbours, without becoming a mere unit in a machine too vast for him to control or even influence.

(Courtesy: *New Statesman And Nation*)  
15-11-58



# VILLAGE LEATHER INDUSTRY

( BY G. R. VALUNJKAR )

When one looks back on the leather industry in India, three periods which mark the three different stages of progress of the industry, can be clearly seen. Upto about the 1857, [most of the tanning was done in the villages as a cottage industry. During the next stage i. e. 1857 to 1881 vegetable tanning on the lines of western method was adopted, particularly in tanneries at Kanpur. The year 1903 marks the beginning of another significant period as during this year, the Chrome Tanning was first introduced in Madras.

The picture the Leather Industry presents today is a composite one. There are, on the one side, about thirty organised big tanneries producing principally vegetable tanned leather and chrome uppers and, on the other, a large number of small scale tanneries producing vegetable tanned East India Kips in South India and Chrome leather in and around Calcutta. There are also a large number of village tanneries producing vegetable tanned hides and skins. In the organised big tanneries, about 20 per cent of tanned hides are produced. In spite of the many changes in the industrial and other fields in the country and the functioning of a few big organised tanneries mainly around Madras, Kanpur, Calcutta and Bombay, the leather industry retains its characteristic feature, viz; the preponderance of small tanneries which

produce the bulk of the tanned hides and skins. According to a recent survey the total number of tanneries in the country is 724 of which 409 employ less than 10 workers, 98 employ between 10 and 19 workers, 143 between 20 and 49 workers and 74 above 50 workers. The Leather Industry continues to be one of the Industries almost entirely in the private sector.

The leather and leather goods generally can be classified as follows :

- a. Tanning of hides and skins.
- b. Manufacture of leather footwear.
- c. Manufacture of leather goods.

The Tanning Industry comprises the following four sections :

1. Organised Tanneries producing finished vegetable and chrome tanned leather.
2. Small Scale Tanneries producing chrome Upper Leather.
3. Tanneries producing vegetable tanned leather known in the trade as E. I. Tanned Kips and Skins, and
4. Village tanneries producing vegetable tanned leather.

This fourth sector of the tanning industry comprising Village Tanneries is spread throughout India. Although the share of the sector in the overall output of the



industry is considerable, its dispersed nature makes it difficult to obtain accurate information about its capacity for production. However, it is estimated that this sector of the industry processes nearly 8 to 9 million hides and 3 to 4 million skins for the production of vegetable tanned leather. The figures of capital and labour employed in the entire tanning and footwear industry are not available. The National Income Committee in its report (1954) has stated that the number of persons employed in the small scale leather and leather manufacturing industry was 7,63,000 in 1950-51 which forms about 6.6 per cent of the total labour force employed in small enterprises.

Hides and skins as well as Leather and Leather goods form important items in India's foreign trade. The leather and leather goods play an important role in India's national economy. They provide employment to large numbers of workers and rank fourth among the materials which India exports and accounts for nearly 5 per cent of our foreign exchange earnings.

The Tanning industry has established a large export market for its product in U.K., U.S.A., Pakistan and certain European countries. Besides tanned hides and skins, a large quantity of raw skins, mostly goat skins, is exported to Europe and U. S. A. There has been practically no export of raw hides since 1952-53 due to the export restrictions imposed by the Government of India.

At one time we were exporting considerable quantities of hides. Now not only

the export has been banned, but steps are being taken to facilitate their import in order to augment our domestic production. This change has come about mainly due to the partition of the country in 1947. The demand for hides in India has also increased with the increase in demand for industrial and other leather. With our rapid industrialisation of the country, the internal demand for leather and leather goods is bound to increase. Of the total availability of the hides and skins in the country, nearly 69 per cent of cow hides, 94 per cent of buffalo hides, 31 per cent of sheep skins and about 5 per cent of goat skins are being utilised within the country. The balance is exported.

If there is no diminution in the volume of our export, it is obvious that we will have to take steps to collect, preserve and process all the hides and skins which are indigenously available. It can not be said that all the hides and skins are being properly flayed, collected and cured. In order to remedy the situation and in order to avoid delays in flaying, curing and preservation of hides and skins, the Khadi and Village Industries Commission has taken a right step by setting up flaying and curing centres in different parts of the country. With a view to providing fuller employment to the village leather artisans and to encouraging decentralisation of production, thereby facilitating effective mobilisation of existing resources, the Khadi and Village Industries Commission has undertaken a programme of development of the Village Leather Industry by providing financial aid to these centres.



The Commission has evolved the following schemes :

1. Flaying and carcass recovery.
2. Bone crushing.
3. Village Model Tanneries.
4. Co-operative Tanneries.
5. Construction of new pits and repair to old pits.
6. Marketing depots.
7. Glue manufacturing.
8. Aid to cobblers.

The progress so far achieved under the various schemes is outlined as under.

Of the flaying and carcass recovery centres allotted, nearly 100 centres are now submitting monthly progress reports. From the data furnished by these centres, it is observed that good progress is being made and the production of raw hides and skins has increased. These centres have also taken steps to recover other components such as flesh meal, bone meal and tallow. The production of raw hides and skins increased from 349 in 1953-54 to as much as 36,759 in 1957-58. The total value of production of raw hides and skins and other components came to Rs. 3.06 lakhs in 1957-58 as compared to Rs. 0.03 lakhs in 1953-54. The progress made by the flaying and carcass recovery centres can also be judged from the rise in employment which rose from 65 in 1953-54 to 533 in 1957-58. Correspondingly there was marked improvement in the earnings of the artisans which rose from Rs. 27,000 in 1953-54 to 1,29,000 in 1956-57.

The performance of the centres might have been more impressive but for certain

difficulties experienced by them. The main difficulties encountered by these centres were.

- 1) inordinate delay involved in getting land for setting up flaying centres,
- 2) non-availability of carcasses in sufficient numbers due to hereditary rights possessed by a section of people in villages to collect them,
- 3) shortage of working capital and lack of technical guidance.

In order to overcome these difficulties, the cooperation of the Government Departments and other authorities like the Panchayats are absolutely essential, particularly in the direction of getting land and for arranging regular supply of carcasses. It is hoped that the Government Departments and Panchayats will render the necessary help to the village leather industry. The Commission on its part has re-oriented its programme to provide enough funds for working capital and technical guidance to the centres.

The Commission has also evolved separate schemes for Bone Crushing Centres for increasing the production of Bone manure. Nearly 10 centres are reported to have commenced production. During the year 1957-58 these centres have produced 43,170 lbs. of bone manure and provided employment to 30 persons. The working of these centres will reveal that they are not able to get adequate quantity of raw bones at reasonable prices due to the wide fluctuations in prices in the market for raw bones. The experience of these centres will show that they can only



be successful in the interior where there is no competitive bone market.

### **Village Model Tannery**

The Commission has so far allotted 160 village Model Tanneries (inclusive of 36 centres) to State Governments. They are financed directly by the Government of India. Nearly 50 centres are submitting their reports. These Village Model Tanneries started production in 1956-57. Within the very short period, these tanneries have recorded spectacular rise in the production of tanned leather. The total value of the tanned leather and leather goods produced by the Village Model Tanneries and training-cum-production centres increased from 1.50 lakhs in 1956-57 to 7.23 lakhs in 1957-58. Consequently the employment in this sector rose speedily from 140 in 1956-57 to as much as 533 in 1957-58. In order to create a spirit of co-operation among the leather workers the Commission has taken steps to organise co-operative tanneries. The Commission has also made a provision for Share Capital Loan for these Societies to the extent of 87 per cent. For improving the quality and also increasing the production of tanned hides and skins, the Commission has provided financial aid to individual tanners for the construction of the new pits and repair to old pits.

For imparting training to tanners and others in improved and scientific methods of cottage tanning, the Commission has allotted 12 Training-cum-Production Centres to registered institutions. Out of these

10 Training-cum-Production Centres are regularly functioning and the remaining are expected to start work soon. At each centre arrangements have been made for imparting training to 15 candidates. Similarly, to afford facilities in improved and scientific methods of flaying and carcass recovery work, the Commission has set up one Training Centre at Kora Gramodyog Kendra, Borivli Bombay, which admits candidates from all over India. Nearly 200 candidates are trained every year by this centre.

The efficient working of the flaying, and carcass recovery centres and village model tanneries depends on creating an effective demand for the products manufactured by them. With a view to make adequate arrangements for the disposal of the goods produced by these centres a scheme of setting Marketing Depots has also been introduced by the Commission. But due to the non-availability of good site and lack of competent and experienced personnel in the business line, the progress in setting up the chain of marketing depots is rather slow. One big marketing depot at Nagpur and 2 small marketing depots each in Rajasthan and Bihar have commenced business. The progress reports of the big marketing depot organised by Gosewa Charnalaya at Nagpur shows that goods worth more than Rs. 1 lakh were sold during 1957-58 by this Depot alone. On closer examination of the various schemes for the development of Village Leather Industry it will be found that these Centres are making slow and steady progress.



# TRENDS IN MODERN BEEKEEPING

(By S. K. KALLAPUR)

For thousands of years the production of honey and wax had been the only objects of beekeeping. After the removable frames were invented and the study of the lives of the bees began to receive the attention of the beekeepers and scientists, the breeding of pedigree queens and bees, i. e. the production of package bees, began to spread in the warmer parts of the different countries where the honey flow used to commence early.

The purpose of the rearing of pedigree queens was to replace the existing ones by younger, profusely laying queen bees with a view to increasing the population of the hives by bees that were less vicious, more profuse gatherers, less given to swarming and able to resist enemies and diseases. This practice enabled the beekeepers to harvest a bigger income of honey and wax from their hives, making the beekeeping industry more profitable.

The purpose of the rearing of bees was to enable the beekeepers to expand their industry by having more and more colonies, but it had another object also. In the northern parts of the American and European continents, the cold is so very severe that it becomes necessary to make special arrangements for the sheltering of the bees

during the winter. Sometimes this together with the feeding expenses costs more than fresh colonies of bees. Hence many beekeepers prefer to allow their bees to perish in the cold season and then purchase fresh stock.

In recent years three more subsidiary industries have been added to the list :

- 1, the production of bee venom, also called the apitoxin,
2. royal jelly and
3. pollen.

From time immemorial, the stings of bees are known to heal rheumatism. Bees were made to sting the patient at the right place. In many cases the results were beneficial. There were, however, difficulties, viz :

1. the difficulties of making the bees sting,
2. of making them sting at the right place,
3. the difficulties of administering the exact dose, and
4. availability of bees at places where the industry is not practised.



Some were of the opinion that this was a quack remedy. The scientists took up the study. After a number of experiments it has now been established that what is claimed for the liquid in the stings is quite true. What is more, the liquid is said to possess the property of curing some very bad skin diseases.

Since then the extraction and the preservation of the poison has been engaging the attention of scientists. A few laboratories have been established for the purpose, the most important of which is said to be the Bee venom laboratory of Germany. The venom can now be injected in the right place in the right quantities.

The royal jelly is the food which is given to the worker larvae one or two days old by the bees whenever they desire a queen from it. From the same egg a worker or a queen bee is made to emerge at the will of the bees. Whenever they want an ordinary worker, the ordinary bee bred which is a mixture of honey and pollen is fed. When they desire a queen, royal jelly is fed. It is this change in the feed that is responsible to make the ultimate insect more attractive, fully developed with proportionate limbs. The worker bee does not have genitive organs and the womb. Only the queen bee has these. The queen bee is much bigger in size. The queen bee lives for about 4 years, while the duration of the life of the worker is not more than 6 months. Scientists have been trying to see if the jelly would have the same beneficial effects on the human system. Experiments were made on rats, rabbits, some other animals and on human

beings. Many of them seem to be convinced that it possesses miraculous properties. When externally applied, it is said to bring about great improvement of the skin. Administered internally, it is said to prolong the youth and the life, and to cure many ailments. The controversy has not ended. Still the demand for the product has been gradually rising. Many adventurous beekeepers have begun to manufacture the jelly on a big scale. Its price is now somewhere between Rs. 40 and Rs. 60 per tola or about 80 an ounce. The preparation of the jelly gives a bigger income to the beekeepers than the production of honey and wax. Hence a few large-scale beekeepers in France, Greece, Spain, Italy and Australia have switched on to this business.

Costly apparatus is not needed; the process is simple very much simpler than the breeding of queen bees. The income is more steady and assured. But the industry can be practised only by large scale beekeepers.

In the same way the collection of pollen for sale gives a steady income to the beekeepers practising the industry on a somewhat big scale. The bees feed their young ones with bee bred which is a mixture of pollen and honey. The scientists began to wonder if this same feed would have beneficial effects on the human system too. In a few of the laboratories engaged in the study of the nutritional effects of the different foods on the human system the scientists have been able to discover that the mixture of pollen and honey does have very good effects on babies and old men,



This food is said to cure many deficiencies found in children.

The pollen, as man can collect from the flowers of trees, does not last. Firstly, the pollen to have nutritious effects should have a composition of at least 35 per cent of proteins, 40 per cent of carbohydrates, 5 per cent of minerals, and 5 per cent of fats. A few of the pollens do not have this composition. They are called inactive pollens. Of the active pollens, a few lose their properties gradually. A few begin to take on fungus growth. A few begin to germinate. A few begin to ferment. Hence they have got to be preserved with very great care and at enormous expenditure if they should be available for nutritional purposes.

The bees are at an advantage over human beings. They are able to detect immediately whether the pollen of any particular flower is active or inactive. They collect only the active pollen.

Secondly, as the collection and stocking of pollen in their pollen baskets proceeds, they give a coating of honey and glandular substances to the grains. This mixture or coating gives to the pollen keeping qualities. Thus processed, it lasts for many months.

A colony of bees requires about 80 lbs. of pollen a year for the feeding of the young. In the act of storing in the cells and in the transporting thereof to the hives, small quantities are dropped at the entrance of the hive and inside the hive on the bottom boards. A small inexpensive device known as the 'pollen trap' enables the beekeeper to collect these

droppings into a case below. Thus about 2 lbs. can be collected in a year. This is a bye-product of the beekeeping industry. The beekeeper does not have to exert for it.

The pollen grains collected in this way are in the form of hard globules. They are then ground in to fine flour, dehydrated and stored away in receptacles of a special kind to avoid the effects of sun rays. The product is administered orally to patient under medical advice, mixed with honey in a certain proportion. Pollen prepared in this way costs about Rs. 3.50 per lb. in France.

India has an advantage over the European countries, America and Australia. Breeding season and honey flow in all those countries are of a short duration of about 4 months. The blossoming period is also short there. In certain parts of India, particularly in South India all along the coast, the climate and the vegetation are such that the breeding can go on throughout the year. The coconut tree in particular, blossoms throughout the year. It is extremely rich in a high quality of pollen. The non-stop breeding of bees can enable the beekeepers to exploit the bee population both for the production of royal jelly and the pollen. These regions do not produce honey in the same measure as the colder countries. The secretion of nectar in the flowers is not so profuse. But the other advantages, namely, the climate and the availability of pollen all round the year make the other 3 industries, namely, the production of royal jelly, bee venom and collection of pollen, a very lucrative



industry. India can lead the other countries in the world and can be a very good earner of dollars or other foreign exchange. In the matter of the production of bee venom we can be second to none, for, we are having, in addition to the *apis indica* which can be bred throughout the year, the giant bee or the *apis dorsata* which, being very large in size, possesses a very big sting that contains about three times as much venom. Probably the venom of this class of these is

more effective than that of the *apis mellifera* or *apis indica*. They are found in very big numbers in India.

But the bee dies when the sting is emptied of the venom. So the producer of bee venom would have to breed bees to kill them. For the production of the royal jelly, too, the queen larvae has got to be destroyed. Hence the question is whether we can encourage these two subsidiary industries, however lucrative and good in other ways.

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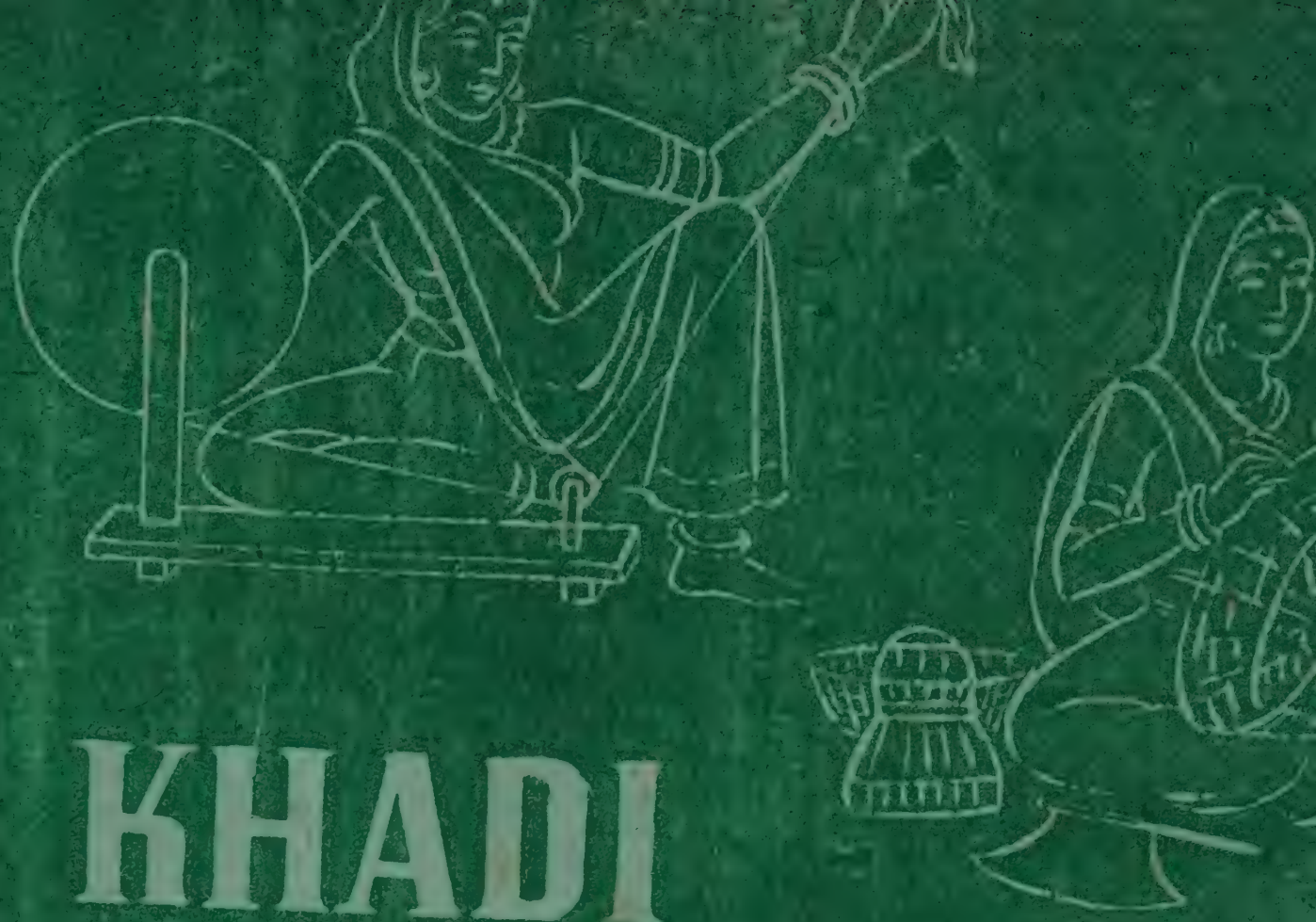
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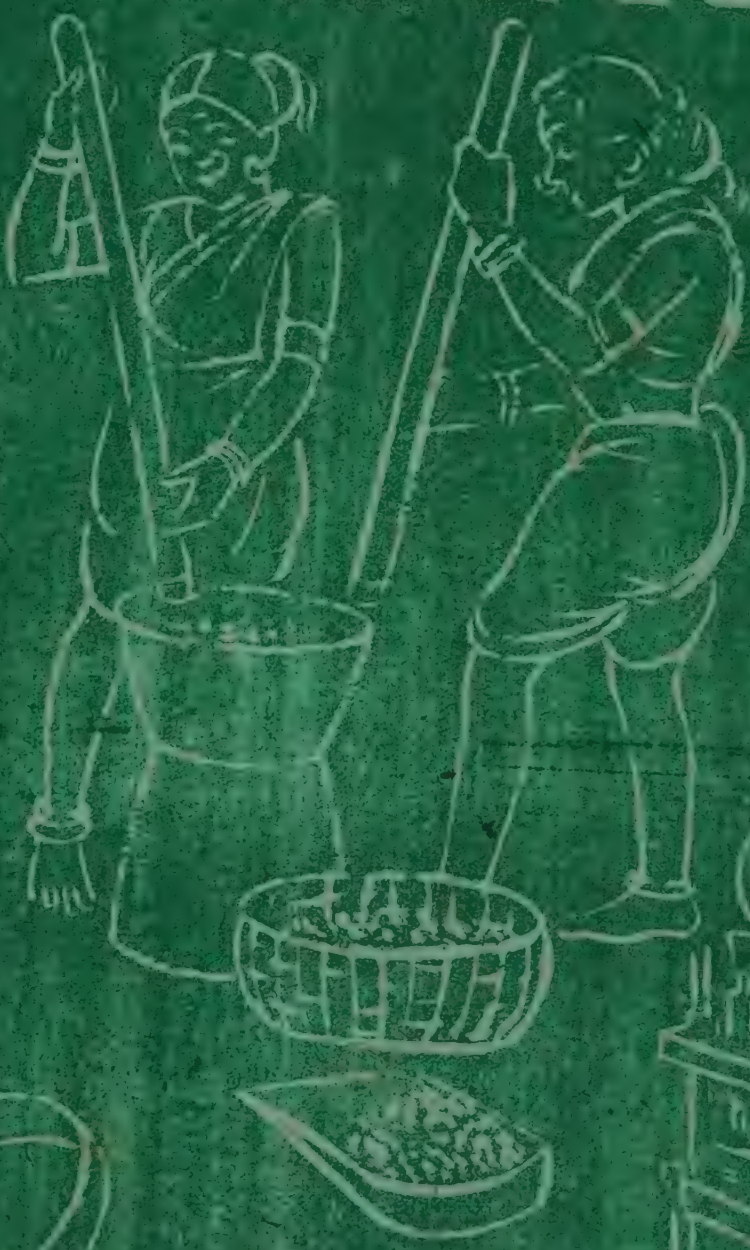
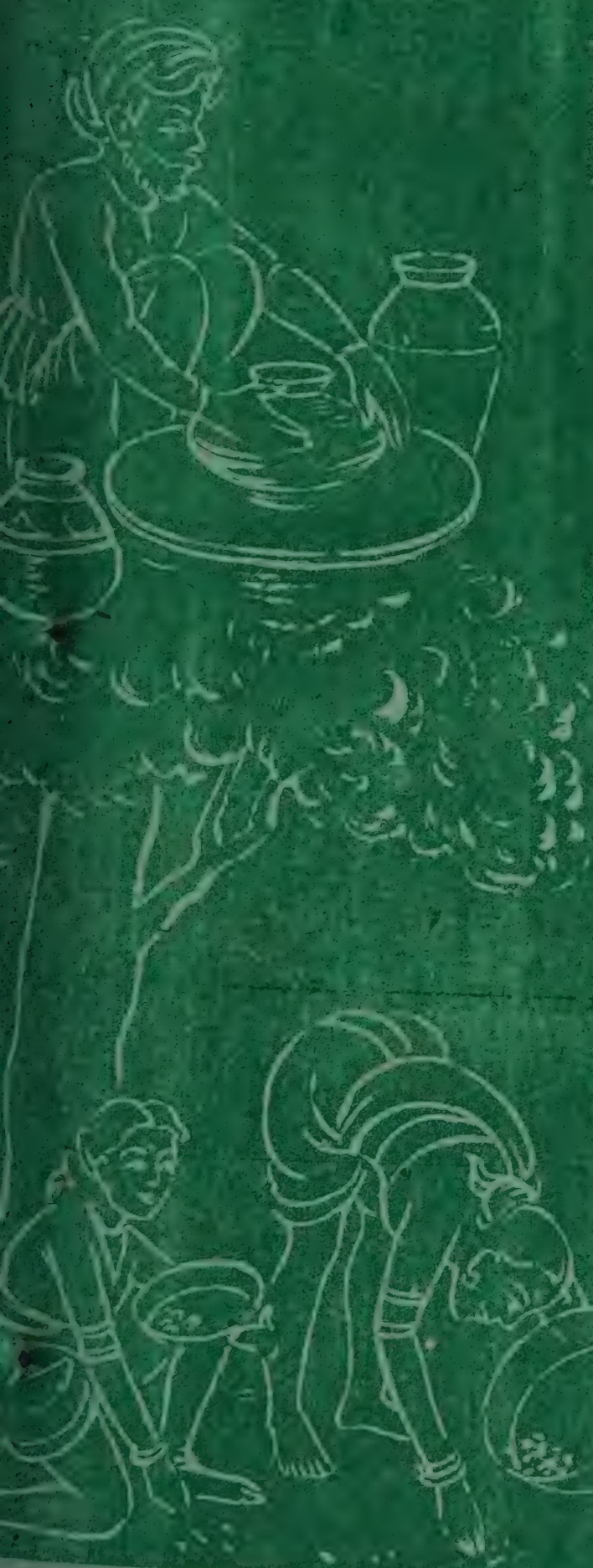




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# KHADI GRAMODYOG



VOL. 5

JANUARY 1959

KHADI & VILLAGE INDUSTRIES COMMISSION  
MINISTRY OF INDUSTRIES



# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
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1. The functions of the Commission shall generally be to plan, organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
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  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
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# KHADI — GRAMODYOG

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## THOUGHTS ON THIRD PLAN

With nearly three years having elapsed since the commencement of the Second Five Year Plan, it is time that the process of thinking about the third of our series of plans should get started. It appears that a special committee has been constituted by the Indian National Congress to formulate views and proposals about the nature and size of the Third Five Year Plan. The attention of this committee may well be invited, at this stage, to the conclusions of the All India Conference of workers on the cause of Khadi and other village industries, which was held in Poona at the end of 1954. Embodied in these conclusions were a set of principles which, the conference of constructive workers believed, should inform national planning in our country, especially in the field of industrial development. It is interesting to recall that the general approach of the conference found favour with the village and Small-scale Industries (Karve) Committee in the report it submitted about a year later. That Committee endorsed the conclusion of the Poona Con-

ference of 1954 that certain spheres of production of consumers' goods in common demand should be reserved for village and cottage industries.

### Demand For Cloth

The need for emphasising this point of view is as keen now as it was before the Second Five Year Plan was drawn up. But it is no use enunciating principles, unless action is taken to translate principles into practice. The most important of the consumers' goods for which there is mass demand is cotton cloth. An attempt was made in June 1956 to lay down a common production programme for the manufacture of cloth, indicating the quantum of production to be allocated to the large scale industry and the cottage industry. The limit of production proposed for the large scale industry was exceeded in the subsequent years, with adverse consequences for that industry. So far, there has been little, if any, growth in the per capita consumption of cloth as estimated, while the exports of cotton textiles are not of the order expected. Produ



ction of handloom cloth and Khadi has also in the mean-while expanded. If it expands further, since there is accumulation of stocks of mill made cloth, difficulty is likely to be experienced in the marketing of the cottage industry product.

### State Policy

Reservation and restriction have been accepted as integral features of State policy in the broad national interest. The nation has accepted certain social objectives such as responsibility for finding work and raising living standards. Production through cottage industries is promoted because it subserves these objectives. But, if such production is to be helpful to increasing numbers, the products have to be protected from the impact of corresponding products of large-scale industries and a proper atmosphere has to be created which serves as a stimulus to production. Hence it may be necessary in the remaining period of the Second Five Year Plan and subsequently to initiate measures which provide the necessary protection and incentive.

### New Measures

Such action was visualized by the Planning Commission, as is evident from its observations of the section on State Policy in the Chapter on Village Industries in the Report on the First Five Year Plan. The details had, however, to be worked out industry by industry. In the field referred to earlier, namely, the cotton textile industry, some experience has been gathered and some data are now available on the basis of which it is possible to indicate somewhat in detail the further course of action that is to be pursued in the broader interest of

national economy. The various measures to be adopted may well be outlined at this stage as illustrative of what can be attempted.

### Yarn Supplies

Inasmuch as the production of yarn with the aid of the Ambar Charkha is proposed to be encouraged as part of a planned programme for the expansion of employment opportunities, Government may take the decision that in all vocational or technical schools where instruction is imparted in handloom weaving, the yarn used should invariably be the Ambar Charkha, if not ordinary handspun, yarn. This will enable growing numbers of young men and women who wish to take to handloom weaving as an occupation to familiarise themselves with a raw material the extended production of which is part of our planned programme. If, in these institutions, the use of the Ambar Charkha is also taught, that will be an additional gain for it will provide an elementary lesson in self-sufficiency for artisans engaged in an occupation where the volume of work available is dependent on the supply of the raw material by its competitive agency.

### New Spindles

If the Ambar Charkha is introduced among families of handloom weavers' Co-operatives Societies, the dependence on mill yarn will diminish. When the Textile Industry (Kanungo) Committee reported in 1954, there were signs of a shortage in the supply of yarn for the handloom weavers. Licences for the installation of spindles came to be allowed



freely for some time. No conditions of shortage had, however, developed by the time the Karve Committee, after reassessing the position, recommended that no more licences should be issued for a year or two more. From recent surveys of the position it appears that supplies are more than adequate at present and that several of the parties to which licences had been issued are unwilling or unable to set up new units or to add to existing capacity. In these changed conditions, Government may well take the decision that at least for the remaining period of the plan no addition to the existing spinning capacity should be permitted either in new or in old units. Unless the demand for handloom cloth expands beyond the proportion indicated in the Production Programme of 1956, that policy should continue in future also.

#### **Production Programme**

A similar major policy decision is called for in the matter of cloth production. A reduction in the limit indicated in the Production Programme of 1956 has been recommended by the Second Textile Inquiry (Joshi) Committee. Adherence to this policy is necessary if, in response to the aids and facilities that are offered, production through handloom weaving industry is to expand on the scale contemplated. The sphere of competition should not be permitted to be widened by allowing textile mills to extend their productive capacity. Before rationalisation in the form of labour-saving machinery is introduced, an initial condition that has to be fulfilled is that steps are taken simultaneously for the absorption of the displaced labour in other

occupations. But this process of rationalisation also leads to keener and closer competition with the handloom weaving industry. Hence, when rationalisation is introduced in the shape of automatic looms, it should be reserved for export purposes. In case the export trade does not absorb the products, they should be subjected to a special levy before being made available for internal consumption.

#### **Coarse Cloth**

It is only in the field of production of dhotis and saris that some reservation operates to afford protection to the handloom weaving industry. It is now nearly a quarter of a century since after one of the earlier Tariff Board Inquiries the mill industry was advised to manufacture the finer varieties of cloth. Although protection to handloom weaving industry may not have motivated the suggestion thus made, it may now be urged that mills may be directed to desist from manufacturing coarse cloth of counts 4's and lower. In the early days of the Civil Disobedience Movement in the thirties, Mahatma Gandhi was able to prevail upon the mill owning interests, as their contribution to the national campaign for Swaraj, to refrain from manufacturing Khadi which, in technical terms, is coarse cloth. In the interests of a nationwide drive to provide employment through the intensive and extensive development of our premier cottage industry, the Government may insist upon the organised industry eschewing from their production coarse yarn as cloth, reserving that sphere for the handspinning and handloom industry exclusively.

#### **Cotton Cultivation**

As a corollary, it will be useful to view



the problem of production of cotton from the standpoint of the decentralized production of cloth. Attention is concentrated at present on the growing of long staple cotton, since the mill industry has taken to the spinning of fine counts of yarn. Short staple cotton is being displaced, which process should not be encouraged in areas where handspinning is being developed for feeding the local handloom industry. Since the benefit of decentralized production is not to be confined to predominantly cotton growing areas, some means have to be devised to ensure the supply of the basic raw material for those who take to hand-spinning and weaving in areas of heavy rainfall where cotton cultivation is ordinarily ruled out. Some research work was undertaken by the Indian Central Cotton Committee in the growing of perennial cotton plants in the coastal areas of the country. Further research may be necessary to be followed by the offer of incentives to promote the growth of approved varieties of tree cotton (*deva kapas*) in and round about homes or farmsteads both in towns and in villages.

It should be one of the aims of any programme of decentralized production to ensure that the products are consumed in

the region of production to the extent possible. That is the basis of the functioning of the Intensive Area Scheme of the Commission or the Gramodaya Mandals associated with the Gramdan Movement. But, when large numbers are induced to go in for productive effort on the Ambar Charkha or on the handloom, the production that results may well be in excess of local requirements. For outside markets, the price of cloth that is charged has to include items of costs on transport and other essential overheads. New customers are no doubt being attracted to Khadi inducing themselves to buy Khadi because of its durability, its texture, or such other factors as also out of appreciation of the social value of the product. In assisting in the organizing of marketing, financial aid is indeed available from the State. Since the production of Khadi and handloom cloth is an integral part of the planned programme of production, it is, however, desirable— if not essential — that the State should extend its patronage to the product by confining its purchases to these manufactures and thereby encouraging the public to do likewise as its contribution to the furtherance of an integral part of the national plan.

—Vaikunth L. Mehta

## THIS WASTE OF ENERGY

In his presidential address at the recent session of the Indian National Congress, the Congress President set forth at some length the broad basic statistical outlines of our economy. At the end of the period of our Second Five Year Plan, he observed, we shall have at least half a

crore of persons without employment, ignoring for this purpose the unemployed among the agricultural population. Since, according to him, population is increasing at the rate of about 2 per cent, during the period of the Third Five Year Plan employment, will have



to be found for as many as 175 lakhs of persons who will swell the labour force with this growth in the population. Hence, at the minimum, work will have to be found, according to this estimate, for no less than two and a quarter crores of people before the end of the Third Five Year Plan, if this intense pressure of population is not to drag down our economy.

In another section of his address, the Congress President referred to the fuller utilisation of all cultivable waste through a programme of land reclamation and development. Statistically, the area of land classed as cultivable waste is estimated to be anything like 5 crore acres. For such of it as can be brought under the plough, the first two Plans have made provision. There may be a more vigorous and extensive programme inaugurated with the allocation of further financial resources. It is likely also that the extension of irrigated farming will increase the scope for fuller employment, if not for additional employment. All these potentialities were, however fully explored before the Second Five Year Plan was drawn up. The sum total of additional employment in agriculture was put down in the period of the Second Plan at the figure of 16 lakhs of people. We may improve upon this figure in the succeeding quinquennium. That however, would provide for the absorption of only a fraction of the large number for whom work has to be found.

Hence, the paramount importance of diversifying our economy to which very appropriately the Congress President drew attention. Unless the state of imbalance in our economy is rectified, the pressure of

population on the land will get intensified and whatever increase in the output of the agricultural industry we shall secure, will be insufficient to sustain the growing numbers drawing their livelihood from the land as workers, as earning dependents, or as non-earning members of the families of agriculturists. If the policy of diversification is to succeed in relieving this pressure, it has to be of a type that finds work not merely for a few lakhs, but for as large a number as over two hundred lakhs. Even that is not enough, since, as Prof. P. C. Mahalanobis has recently pointed out, the number of persons who are not engaged on gainful work either throughout the working day or throughout the working year runs into a couple of crores if not more. From the national point of view, all this represents a deplorable waste of human energy.

There is another aspect of our economy to which also the Congress President called attention. That is the low level of incomes prevailing in the countryside among the rural population generally, whether engaged in agriculture or otherwise. The level is low because the bulk of those who constitute rural families have either no work in which to engage themselves or not enough work to do. They are under conditions of enforced idleness.

No extension of large scale industrialisation, whether the industries be for production of consumers goods or of capital goods, is likely to be helpful in securing a rise in the level of these incomes. The few engaged in these industries may earn wages that may be high, but the many will continue to remain without work howsoever



much industrialisation spreads and however large the increase in the aggregate of national output. It would have completed the picture that the Congress President

sketched, if he had emphasised this aspect of our economy of which, one is certain, he is fully conscious.

— V. L. M.

## LESSON FROM CHINA

Recent economic developments in China have attracted world-wide attention; but enough stress has not been laid on the manner in which both material and human resources have been put to the fullest possible use in that country. China has certainly a lesson to teach us, in the way human beings are set to work and wealth created out of waste. That is something which we should try to emulate.

The following extract from a recent survey brings out the manner in which the economy of China is being built up.

“In a corner I spotted five old ladies sitting in circle and asked what they were doing. ‘That’, I was told, ‘is the ball-bearing section.’ Sure enough, a thin iron rod had been cut into slices, a centimetre thick, and each old lady was rounding a slice with a pestle and mortar, while couple of boys were polishing the finished articles. ‘They aren’t up to much yet and they don’t last very long in our cart wheel’, I was told.

‘But, why not buy really modern agricultural machinery from the new tractor factory less than a hundred miles away’, I asked.

‘What they make in the towns is far too complicated and too expensive for us, I was told. Any way we cannot wait’.

Certainly the implements they were producing were admirably suited to the agricultural methods enjoined for the leap forward. The party directive has four requirements – more irrigation, deeper ploughing, closer planting increased use of home-made fertilizers.

In each Commune was loaded with statistics about harvests..... the 1958 harvests are immense and it is difficult to deny that this is due largely to improved techniques which, in turn, ironically enough, are bound to produce large scale rural unemployment. Indeed, the main justification for the primitive industrialisation which I saw in the communes is surely the employment it provides for those made redundant by technological advance. How much more sensible to proceed in this fashion, encouraging the peasants to learn for themselves, take their own decisions and carry out their own industrial revolution than to drag them (as the Russians attempted to do) in one leap from the medieval sickle straight upto the combine harvester?\*

We are often censured by our compatriots and by foreigners for sticking to primitive methods of production. Mr.

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\* R. H. S. Crossman article on the People’s Communes, New Stateman, 10th January, 1959.



Crossman's description of old women preparing ball-bearings is significant, since the technique that is encouraged is one that suits the persons engaged in the work and circumstances in which they work. If techniques are too complicated for the persons and too expensive for the purpose in hand it, is unwise to press for their adoption.

Where the adoption of new techniques entails loss of employment for some simultaneously there is a move to see that those displaced from their old occupations get absorbed in new occupations. The

methods of production may be primitive, but they are favoured since they support the rural economy by providing work for the many. How much more sensible, as Mr. Crossman observes, it is to proceed in this fashion, encouraging the rural folk to learn for themselves and to regulate the pace of their own industrial revolution than to thrust in the countryside tools which are difficult to handle and techniques which are complicated at enormous expense which, with their scanty resources, rural communities cannot afford?

- V L. M.



# PROBLEMS OF TRIBAL PEOPLE

( BY VAIKUNTH L. MEHTA )

[I have only a very remote connection with the great national movement for promoting the welfare of the Adimjati population of our country and for increasing healthy contacts between them and the rest of our population. Nearly forty years ago, it was my good fortune to be associated with Thakkar Bapa in the financing and development of Co-operative Credit Societies for Bhils started in the Dohad area of the Bombay State, where he laid the foundation of the first indigenous mission for the service of the Adivasi people. Though this was not the first attempt made to introduce co-operation among Adivasis, it represents, I believe, the first that, after passing through periods of stress and strain, has succeeded in relieving the burden of debt among the people in the area and protecting them from exploitation at the hands of money-lender-cum-traders. Among the factors responsible for the success of the experiment, I consider the most prominent was its association with the work of a welfare agency, namely, the Bhil Seva Mandal, and the sustained personal interest evinced in it in the formative stages by no less an individual than Thakkar Bapa himself.

Some twenty years later, Thakkar Bapa delivered, under the auspices of the

Gokhale Institute of Politics and Economics an address on "The problem of the Aborigines in India" which is worthy of study even today by students of the subject and workers in the welfare movement. It represented his experiences in this field for nearly two decades – a virgin field where, except for an Indian anthropologist here and there, no Indian had trodden. It is only during this period that the condition of the Adivasis commenced to attract some attention at the hands of political and social workers. It would not be unfair to state that, as a class, the only interest British administrators had was to keep out from these regions nationalistically minded social workers although, no doubt, some facilities for carrying on social work were not denied to Christian Missionaries of various denominations.

## Changed Outlook

Then came about a transformation in the outlook, with the advent of Swaraj and through the untiring and selfless efforts of pioneers like Thakkar Bapa. Among the tribal people themselves, with the spread of education, there was a slow but gradual

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**Note :** This article is adapted from the author's presidential address to the 5th Annual Conference of Akhil Bharat Adimjati Seva Sangh held in Bardi on 12th January 1959.



awakening. Besides, with the interest Mahatma Gandhi evinced in this hitherto neglected aspect of national life by including Adivasi welfare as an integral part of his constructive programme, we witnessed, nearly ten years after Thakkar Bapa's Kale Memorial address, certain rights and privileges written in the constitution of India which the nation adopted in 1950. There was recognition accorded to the fact that the Adivasi population since it had to share the duties, responsibilities, rights and privileges of the citizenship of the Republic of India would have to be granted a special political status for a period of at least ten years, although no time limit was set to the operation of the special administrative, legislative and financial privileges outlined in the Constitution.

### **Directive Principle**

The promotion of the educational and economic interests of the Scheduled Tribes and the adoption of measures to protect them from social injustice and all forms of exploitation have thus become a directive principle of State policy. It is in pursuance of this policy that, shortly after the adoption of the Constitution, the Central Government created the appointment of a Commissioner for Scheduled Castes and Tribes charged with the functions indicated in Article 338 of the Constitution. It is of interest to note here that the first person to have been appointed for discharging these responsibilities is a life worker in the cause of Adivasi welfare. This, to my mind, indicates not only the paramount importance that the Central Government attach to the need for safeguarding the

interests of Scheduled Tribes, but also, apparently, their recognition of the fact that persons belonging to this category are, left to themselves, less able to protect their interests than the Scheduled Castes who, purely in relative terms, are better awakened to their rights and privileges as citizens.

During the period that has elapsed subsequently, I have no doubt much progress has been achieved. But I am not sure if the distance that separates the rest of us from the Adivasi population does not ordinarily make us forget their existence. We come across them when we visit hilly regions for reasons of health or to enjoy the bounties of nature. We are apt, then, to overlook the miseries of those who dwell in these beautiful surroundings.]

### **Special Representation**

In a short while the special representation in Parliament and State Legislatures through the reservation of seats will stand terminated. But Parliament should, I submit, consider whether the circumstances which led to the acceptance of such reservation have ceased to operate and whether the tribal people are now in a position to make their influence felt, through representatives elected with the aid of their voters in the matter both of legislation and of administration. In a democratic government such as we have in India, the lives of the people are largely affected by what the legislatures enact by way of legislation and by their control over administration. With the termination of the system of reservation for the Scheduled Tribes there should, I would further urge, be some assurance that



the influence which is now exercised over legislation and over administration by the election of persons belonging to these groups is not lost. It will be for political parties to discuss and decide how best such a result can be brought about.

### **Education And Progress**

If the Scheduled Castes, as I remarked earlier, are better equipped than the tribal people to take their due place in a free and progressive India, it is so mainly because of their greater educational progress. Education is the basis of progress in a modern community. Isolated lives as they lead and speaking as they do dialects different from the languages of the political regions to which they belong, their progress in education lags behind that of Scheduled Castes who live in the midst of the rest of the community and whose language is the same as that of the region where they reside. The choosing of the medium of instruction, the selection of teachers conversant with tribal dialects, the preparation of text-books, all present problems. To get teachers belonging to the plains to settle down in Adivasi areas is not easy; and it is only when Adivasi young men and women get educated in large numbers that the problem of providing suitable teachers will be solved. It is desirable that we devise a system of instruction which serves to harmonize the teaching with the life and surroundings of the Adivasis and do not just transplant the system followed elsewhere. It may be useful if in the Department of Education in every State with a large tribal population a section is set up to study and deal with problems relating

to the education of Scheduled Tribes at the primary stage.

### **What Education ?**

Questions relating to secondary and higher education are relatively of minor importance. Some attention needs to be paid, however, to the choice of subjects for study in secondary schools established in scheduled tribe areas and the courses of higher studies for which encouragement should be given by the State. What should be of greater service to the Adivasi community would be the criterion applied. For instance, a social engineer or a doctor is more needed in Adivasi areas than a lawyer or a chartered accountant, a civil engineer more than a mechanical engineer, a forest expert more than a fishing expert. While granting scholarships for studies at home or abroad, these considerations should, I suggest, invariably be borne in mind.

### **Health Problems**

Normally, persons who dwell in hills and forests where they can enjoy fresh air and light may be expected to possess healthy constitutions. But malaria, water borne diseases, ailments caused by mal-nutrition and special maladies like *yawas* are not uncommon among Adivasi people. The common ailments are best cured by homely remedies, but diseases that require some regular medical treatment do not yield to practices based on superstitions, belief in witchcraft and the like. The lowering of the Indian death-rate since Independence indicates that mortality can be brought down as a result of measures for ensuring better sanitary and hygienic



conditions and with the extension of medical relief. Residing as they do in places remote from towns where dispensaries and hospitals are usually located, the benefits of medical treatment, indigenous or western, are scarcely available to Adivasis. Although the number of stationary dispensaries cannot be multiplied rapidly, it should not be difficult to devise arrangements for peripatetic consultants to be all the time on the move, administering simple drugs and medicines and directing the more serious cases to dispensaries or hospitals. The rate of infant mortality in India has been brought down because of maternity cases being treated on more hygienic modern lines, especially in urban areas. The methods attendant on child-bearing among Adivasis are, if anything, cruder than ours were until recently, resulting in heavy child mortality. A maternity attendant should be available, with facilities for treatment, within fairly easy reach of even the remotest areas.

### **Housing**

Housing arrangements are not uniform among the various tribal groups. In many parts of the country, Adivasis put up thatched huts scattered all over the lands of the village or in forests. Leading as they mostly do an open air life, the structure of the hut or its interior may not appear to be a matter of much moment. That, however, is true for the part of the year when there are no rains. But in the bulk of the Adivasi regions, we find that the monsoon is long drawn out and heavy. Since vast numbers of Adivasis are labourers either on the land or in forests the sites where they build their huts are not always

in their own keeping. Hence numbers stand in constant fear of ejection. For this reason, the securing of house sites and the provision of cheap building material from the forests should receive attention in programmes of social welfare. With detached houses, the maintenance of sanitary conditions does not present as much of a problem as in ordinary villages. Since, however, good health depends on clean surroundings, diffusion of knowledge of hygienic ways of living should, as elsewhere, be part of every worth-while programme of social education.

### **Road Programme**

The parts of the programme of social progress I have so far touched upon postulate the existence of good means of communication. In many parts of the country these are sadly lacking. Hence in the Five Year Plans, special provision has been made for the construction of roads in scheduled areas or in tracts largely inhabited by the scheduled tribes. Without entering into the details of these plans, I should like to enter a caveat here. The road building programme should not be of a type that facilitates exploitation of the Adivasi population. The motor truck and the heavy passenger bus are not needed there, nor even a well-groomed luxury car. In most places, a foot path, a bridlepath and a well-laid cart track are all that are needed with suspension bridges and culverts provided at the appropriate places. The work should be done with local labour and, so far as possible, under local direction and with local material. Links



may be provided with the main highways. While contribution in the shape of Shramdan organised by village communities should always be welcome, it should be obvious that the bulk of the costs will have to be met by the State. Contract for work should be given to labour co-operative societies, the organisation of which should be one of the duties of the social worker in Adivasi areas.

### **Exploitation**

The organisation of the labour of Adivasis working in forest areas should occupy a high order of priority in any programme of socio-economic improvement such as seeks to protect these classes from economic exploitation. The bulk of the State's Revenue from Forests aggregating Rs. 27.12 crores per annum, represents the value of the timber and other forest produce sold by Government. The work of felling the trees and collecting other produce is done almost entirely with labour provided by Adivasi people dispersed all over the country. Even if sizeable bits of this flowed into their pockets in return for their labour, Adivasis should be very well-off indeed! Unfortunately, the major portion is intercepted by middlemen, while all that the Adivasis secure are wages which, until Independence, were often on a starvation level.

When even the regulation of the level of wages brought about little relief, the Government of Bombay, some ten years back, took the lead in organising co-operative societies of forest labourers to secure contracts from Government for

felling trees, transporting the produce to markets, preparing charcoal and selling the commodities on behalf of the forest labourers. While giving liberal aid to the societies, Government attached the condition that their work should be guided and supervised by some approved social service agency. The reason for imposing this condition was twofold. Illiterate and unorganised forest labourers might, in the first place, allow these institutions to fall into the hands of persons who might exploit and defraud them. Secondly, the task of the organisation should not end merely by adding to their income; the Co-operative Society should teach methods of better living and promote social education.

### **Promote Co-ops.**

For affording protection against economic exploitation and ensuring economic improvement in present-day conditions, the most suitable line of action is the promotion of co-operative organization. This may take diverse forms, suited to the requirements of the population or of the local economy. Where the principal industry is agriculture, the multi-purpose co-operative society covering a group of adjacent villages forming a compact group, judged by experience, seems to be the most well suited.

In view of the fact that usually it is only one foodgrain crop that is raised, Adivasi agriculturists, like poorer agriculturists, elsewhere, also need small advances for purchasing foodgrains till the crops are harvested. It will be desirable to attach to a multi-purpose society or to conduct separately a grain gola or a grain depot. This would take in deposit small



quantities of the staple foodgrains of the area at harvest time from various individuals and meet the necessary requirements in mid-season, to be adjusted either against the deposited foodgrains or against quantities to be received at the subsequent harvest. This system is in vogue in parts of some States, but has yet to be put on a sound footing, either through panchayats or through co-operative agency. As has been attempted with fair success in parts of Bombay State, the work may be undertaken also by social welfare agencies. Ordinarily it would be unwise, experience shows, to entrust the work to official agency.

### **Joint Cultivation**

Where lands are made available to Adivasis from deforested areas, or as part of a scheme of redistribution of lands under the Gramdan programme or out of the surplus of lands available with the imposition of ceilings on holdings, the suggestion has been made that the future pattern of farming should be co-operative. Since experiments in this direction have not turned out to be successful everywhere in the country there may be advantage in having the lands cultivated individually with the ownership resting jointly in the body of members or in the entire village community. Services may be enjoyed in common, domestic and agricultural requisites provided jointly and marketing of produce organized on a joint basis. I have the impression that to a suggestion for this degree of joint endeavour the mind of the Adivasi would be ordinarily receptive.

### **Poorest Of The Poor**

All statistical evidence that I have seen

goes to show that as a class the Adivasi population, whether engaged in forest work or in agriculture, falls in the category of the lowest income groups almost everywhere in India; that is, Adivasis are among the poorest of the poor. If they help in exploiting the wealth of the forests, they should be enabled to share in the wealth somewhat in the manner I have indicated above. Their well-being, as much as the preservation and augmentation of these valuable national resources should be the primary concern of the Forest Department just as the welfare of the miners should be the principal concern of the Department of Mines. It is only when the outlook undergoes a change and opportunities for seeking the wherewithal of bare sustenance are opened out to forest dwellers that offences against forest laws will cease. It is only then that the Adivasi will feel as much interested in planting and nurturing trees as in cutting them down. The collection and utilization of forest produce other than timber should provide an avenue for fuller employment. To the extent that such produce can be processed before being marketed, processing should also be organised in the interest of the local community engaged in the occupation. Forests are the storehouse of materials that go to enrich our pharmaceutical industry, both indigenous and foreign. It is a suggestion worth considering that special facilities for pharmaceutical training should be afforded to competent Adivasi Youths on completion of their secondary education. They may then be assisted in running pharmaceutical work of a modest type on the outskirts of



forest regions. If other industries based on the use of forest produce as the principal raw materials are started, some part of the benefit should accrue to Adivasis. This is feasible more easily if, in the future, these industries are allowed to be set up only in the public sector or to be conducted by the co-operatively organized forest dwellers of a region.

### **Need For Safeguards**

There will, to my knowledge, be scarcely any part of the country where Adivasis have no connection with agriculture. Although the original holders of lands, with the impact of an unregulated economy, large numbers now till lands as tenants or as labourers – sometimes even as serfs – almost all over the country. The relations between tenants and landlords are being regulated by means of administrative and legislative measures. In order that Adivasis derive the full benefit of these measures, it is essential that the official agency should look upon it as its primary duty to protect their interests against those who seek to take advantage of their ignorance of the law and their fear of those administering it. Even more onerous is the responsibility of social workers since it is only they who can make the Adivasi people conscious of their rights and privileges under the law. For agricultural labour not much legislative protection has so far been vouchsafed. Where, however, conditions bordering on serfdom prevail, the State should step in, in case it has not already done so. The enforcement of minimum wages, except for labour on plantations, has still to be attempted.

### **Unsatisfied Hunger**

It is mainly because of unsatisfied hunger

for land that we find Adivasis resorting to unauthorized felling of trees in forest areas and cultivating lands in a manner that leads to soil erosion. The cure is twofold : satisfaction of the need for work and social education. To the extent that additional lands can be provided elsewhere under the deforestation programme or by land reclamation the former need can be met. It can also be met by the provision of alternative forms of employment. These may be such as will not be uncongenial and will not take people too far away from their natural surroundings. It is likely that if the methods of cultivation are improved, better resources are made available and the process of Jhuming or Podu cultivation is given up, there may be some more employment found, even in the lands that are now available. The pilot projects and schemes for weaning Adivasis away from the Jhuming form of cultivation should have a high priority in programmes of development in the areas affected, that is, in the interest both of the individuals concerned and of society as a whole.

### **Segregation Harmful**

In the pre-Independence days, there were administrators and anthropologists who took the view that culture and interests of the tribal people were promoted best by the policy then adopted, namely, keeping them in a sense segregated, cut off from contacts with the rest of the people of India. What harm this policy of isolation has done is evident from the way in which Adivasis have lost their lands and have got burdened with debt. The policy failed, since exploitation at the hands of petty officials and of the



trading and money-lending classes has spelt misery for the Adivasis as a class. The legislative measures for preventing the transfer of land to non-tribal people from outside and for curbing usurious money-lending have had to be supplemented in recent years occasionally by better devised legislative protection and by vigorous administrative action. Both these forms of protection will have to continue until, as a class, Adivasis are able to organize themselves.

### **These Large Projects**

There is a development in nation-building that vitally affects the lives of many among Scheduled Tribes more, probably, than of other sections of the population. As part of our plans of economic development we have gone in for large projects for irrigation and for the hydro-electric power. The sites of these projects are mostly located in hills and amidst forests, the principal residents of which are Adivasis. The lands to be inundated belong to Adivasis who are called upon to vacate and to seek their livelihood. Difficult as this process is for all sections of the rural community, it occasions great distress among Adivasis, resourceless and immobile as they normally are. The construction of the Tata Power Scheme, some four decades back, led to the Mulsi Satyagraha in the Poona district of Bombay State, in which quite a number of prominent nationalist leaders of Maharashtra participated. That Satyagraha indicated the anxiety then felt about a project which covered areas smaller than those where irrigation and power generation scheme are now undertaken and with a population that was not so isolated and backward as Adivasis

generally are. The resettlement of Adivasis by the offer of lands in some neighbouring regions should be a primary consideration in future when sanctioning these new projects.

### **Alternative Employment**

The availability of land is, however, strictly limited, particularly since, in the national interest, it is necessary to conserve the forest resources and take effective steps by tree planting and otherwise to check erosion of the upper regions of the hillsides. With proper control over mortality, the population of Adivasis will grow, presumably as for the other sections of the community. It is hence necessary that the means of livelihood open to Adivasis are enlarged by expansion of alternative modes of employment, such as industries allied to agriculture or to forests. It is difficult to suggest a set pattern for the entire country much as I for one, would like to advocate resort to the spinning wheel everywhere. The Ambar Charkha, I may note here has been introduced with some success in certain areas. The choice will however depend partly on the availability of raw materials such as cotton and partly on the aptitudes and skills of the different tribal groups. It has been suggested, for instance, that many among them take kindly to carpentry and smithy. Accordingly, wherever there is good response to arrangements for training, this essential village industry should be extended. In most Adivasi areas, the number of cattle is large. Occasionally, it is their main wealth. It is worth considering whether it is possible to develop decentralized industries around the flaying of the



carcasses of these cattle. If there are traditional prejudices, the economic urge may, in course of time, overcome such prejudices. What has to be emphasised is that all programmes for welfare should necessarily provide for the introduction and development of suitable subsidiary occupations, cottage industries and, if need be, small scale industries as well.

### **Living Standards**

What is essential, to my mind, is to make every possible effort to raise the level of incomes among these about a most disadvantaged sections of our population. This is one of the objectives of our national planning. Raising of the standard of living for these two crores of our fellow-citizens who are cut off from those of us who have a voice in moulding the affairs of the nation definitely connotes a deliberate insistent effort to promote material well-being by means such as have been indicated, for instance, in the annual reports of the Commission for Scheduled Castes and Tribes and by those who have given thought to the subject. An increase in the aggregate national income has no significance in terms of human welfare unless those whose incomes are hardly one hundred rupees per year get something more, so as the better to feed and clothe themselves and to secure a modicum of education. This object, I consider should be accorded the highest priority by the planning authorities. The extension of social services and amenities at the cost of the State will further aid in some reduction of the existing glaring disparities.

It would be too materialistic a view of the problem if planning left outside its

scope the need for building up of a community of good citizens, men and women who are, in every sense, equal to the rest of the nation. Even in modern India, we have not failed to produce men and women who in various spheres, intellectual, moral, spiritual, could rank as among the greatest in their age. But, as Gopal Krishna Gokhale never tried of emphasising in the days of foreign domination, we shall be judged by posterity not by the emergence of giants but by the raising of the average level in all these spheres. For this reason, the advancement by rapid strides of the underprivileged and disadvantaged sections of the Community outweighs in value other tasks before the nation.

### **Prohibition**

There is one aspect of the social life of Adivasis to which a reference is necessary. Among the many habits which, according to some, distinguish Adivasis from the rest of the community is their fondness for drink. It would be rash for anyone to generalise on this subject, because tribal customs and habits are not the same all over India.

It may be that climatic conditions or conditions of work are such that some stimulant may be called for, or it may be that indulgence in drink is wrongly looked upon as one of the pleasures of life. Whatever the rationals, social workers associating themselves with the movement for promoting the welfare of Adivasis, have been led to the conclusion that both the individual and society suffer because of the freedom to drink prevalent among several sections. Excise laws and the system of abkari contracts have resulted



in swelling the number of addicts. The more these induce themselves to drink, the more they contribute by way of taxes or to the profits of contractors, poor though they may be themselves.

The social consequences are not different from those noticed among classes given to drink. In a State like Bombay where prohibition has had the healthiest effect in Adivasi areas. Where it has not had that effect, the reason may be that the active support of the leaders of the various groups has not been enlisted for the cause of prohibition. This only emphasises, what applies to the success of prohibition elsewhere, that the enforcement of the law should be accompanied by active efforts at the education of public opinion.

### **Education And Culture**

Earlier I have briefly touched upon the subject of education. The form and content of the education that is provided should, I would repeat, be in harmony with the daily life and the culture of the people. It should open the portals of knowledge so that anti-social traditions, such as for example the custom of *stai* amongst us, fade away if they cannot be suppressed by law. Customs are often linked with superstition. We too harbour such superstitions, even in the modern age. These will yield place to rational behaviour, as education extends.

Many of the tribal communities cherish their ancient culture. They love colour, dance, music, and games and open air sports and have a zest for a life of cheerfulness. Our saddest mistake would be to introduce our cultural standards and values

because uprooting cultural traditions is the greatest disservice that can be done to a community. Here come in the anthropologist and the sociologist who should help in fostering the growth of healthy traditions and preventing the inroad of unhealthy ones. The controversy about "isolationism" and "intervention" to which Thakkar Bapa referred in his Kale Memorial Address of 1941 is now a matter of past history. The scheduled tribes are part and parcel of the Indian nation, entitled to an honoured place in the confluence of the diverse rich elements that constitute the Indian people.

### **Planned Development**

In pursuance of the directives of State policy enunciated in our Constitution, we have now before us a programme of planned development which has to take cognizance of the disabilities and the needs of this section of the population and has to safeguard their educational and economic interests. Hence it is incumbent upon the State to embark upon measures, both legislative and administrative, for affording protection against exploitation and for promoting social welfare. Despite this need for State action, the people for what is termed voluntary social service as keen as it was when Thakkar Bapa entered this untrodden field as a pioneer. With the widening of our vision and the growth of our desire for all-round progress the scope is greater. Personally, I take the view that the bulk of welfare activities should be entrusted to social service agencies and that economic activities should be promoted on a co-operative basis.



# SARVODAYA PHILOSOPHY IN ACTION

( CONTRIBUTED )

On reading the title of this paper, readers may conclude that this must be a treatment of the great Bhoodan movement initiated by Shri Vinobaji Bhave. The forty to fifty lakh acres of land obtained by Vinobaji for distribution among the landless, and specially the two thousand gramdans where work on social reconstruction on Sarvodaya lines already begun, would offer a fascinating study of the subject of the heading. The writer, unfortunately, has never been in active touch with the Bhoodan movement. The movement, no doubt, is a big step in the establishment of a Sarvodaya Samaj. But it is doubtful whether it will be able to solve all the economic and social problems, specially of the rural masses, which are getting more complex and complicated in these days of astounding scientific progress.

## **Sarvodaya**

What is Sarvodaya ! The plain meaning of the word Sarvodaya is the Udaya or all round advancement of every one both as an individual and as a constituent or component unit of society. This would mean that inequalities whether social, cultural, economic or political—would disappear and a new order of society would be established wherein there

would be no distinctions based on caste, creed or class and no scope for exploitation. The idea of such a society may sound Utopian to some of us. When thirtyfive years back Gandhiji placed before the country his ideas of Satyagraha and non-violent non-co-operation for winning the freedom of our country from the greatest imperialistic power of those days, his ideas were also termed as Utopian. But the Nation did accept his weapons of Satyagraha and non-violence and did succeed in winning its freedom. What was then termed a Utopia has proved a reality. Gandhiji was not content merely with winning political freedom. He wanted to remould our society on the basis of Sarvodaya. This task is stupendous and it requires a personality like Gandhiji's for its achievement. But this does not mean that attempts in this direction should not be made on similar lines by persons who may be smaller, but who have faith in this concept and the ability to put it into practice in limited fields.

## **The Sarvodaya Society**

To elaborate the idea of Sarvodaya Samaj a bit further, in such a samaj the present cleavages which have sprung from caste, communal and religious differences



would disappear. There would be no scope for exploitation by one individual of the other and this would be reflected in the individual's daily life so that no one would desire to live on the toil of others. There would be full scope for every one for the expansion and development of his individuality. This development can only be achieved in a society which is organised on the principle of equality. Society is a living organism no less than a human being and its vitality depends on the coordinated activity of all its constituents or components and not of one or more at the expense of the others. Consequently co-operation finds a most important place in the idea of a Sarvodaya Samaj. Gandhiji placed before the Nation this idea of a Sarvodaya Society for a free India. Had he been alive, perhaps, we would have had a different planning.

### **Bombay Government Scheme**

Gandhiji passed off on the 30th January 1948. The Government of Bombay which was then headed by the late Shri Bal Gangadhar Kher desired to pay its humble tribute to the memory of the Father of the Nation. The Government thought that best memorial would be to put into practice the Sarvodaya principles as enunciated by Mahatmaji through the agency of tried and experienced social workers who have not merely made a study of the ideology of Gandhiji, but who have been attempting to embody the same in their day to day life. Accordingly it decided, after consultations with prominent social workers, that this

experiment should be tried in each district of the old Bombay State in a compact area of 30 to 40 villages with more or less homogeneous social and economic condition through such local workers. The selection of the area was done in consultation with the social worker in charge who was termed a Sanchalak. It was, however, decided that the area to be selected should be a backward area, i. e., an area in the interior of a district, economically badly off and devoid of civic amenities or an area predominantly inhabited by backward people like the Adivasis or jungle folks. Amongst the Sanchalaks you come across such eminent personalities as Shri Appasaheb Patwardhan, Shri Jugatrambhai Dave, Acharya Bhise, Shri Shrirang Kamath and others whose life-long devotion to constructive work is well-known.

### **Guidance Committee**

For implementing this programme, the Government proceeded to appoint Sanchalaks one in each district in the year 1949 to formulate and carry out Sarvodaya Schemes in their respective districts. A State Sarvodaya Committee was also constituted in order to guide the Sanchalaks and co-ordinate their activities. The chief work of this committee is to sanction the different schemes formulated by the Sanchalaks and to pass the annual budgets therefor. It was contemplated in the beginning that each centre should spend a sum of about rupees one lakh per year for its different activities. But it was found in practice that the budgets rarely exceeded a sum of rupees 75,000 per year.



The Sanchalaks are authorised to organise centre committees from amongst the local social workers to advise them in framing schemes for their respective Sarvodaya areas. This has also helped in creating enthusiasm for Sarvodaya work in other parts of the district concerned. Further, the district heads of the departments concerned have been instructed to render whatever help is needed by the Sanchalak. The Collector and other district heads are also instructed to attend the meetings of the centre of Advisory Committee and take part in their deliberations. Thus the chief district officers are in touch with the Sanchalaks and their activities in the respective Sarvodaya areas.

#### **How It Operates**

For facilitating his work, the Sanchalak usually divides the area under him into four or five regions or sub-centres and appoints workers according to the plan drawn up for that region. The duty of these workers is to see that someone or the other of the planned activities is started and carried on in practically every village included in the sub-centre. On an average each Sanchalak has under him about 15 to 20 workers trained in different activities taken up in his area. Not all workers are posted at the headquarters of the centre or the sub-centres. Most of them are spread out in the villages according to the nature of their activities. The result has been that about five hundred whole-time workers have been planted in some of the most difficult tracts of the State. With a view to comparing notes and by way of a refresher course, annual Shibirs or seminars

of these workers are held regionwise. These seminars are visited and addressed not only by the Minister and officers concerned, but also by some of the well-known public workers in different spheres.

#### **Their Activities**

The total number of the Sarvodaya Centres in the old Bombay State was 29 and the number of villages covered by them came to over 1, 200. After the re-organisation of States, the Government has decided to have Sarvodaya Centres in the new regions now included in the State. Accordingly, eight more centres have been started so far. The activities organised in these centres roughly fall under seven heads, viz:

1. Education,
2. Agriculture,
3. Cottage Industries and Co-operation,
4. Health and Hygiene,
5. Communications,
6. Water Supply, and
7. Social Amenities,

The expenditure incurred on these activities upto 31st March, 1956, comes to about Rs. 97,00,000. Compared to the rest of the State, the people residing in the Sarvodaya areas are very poor. All the same they have been coming forward enthusiastically to contribute their share mostly in labour specially in activities like,

construction of approach-roads,  
construction of drinking water wells,  
construction of small bandhars or tanks,  
construction of school buildings or  
community halls.



Roughly their contribution will come to about Rs. 20,00,000. Adding this figure to the contributions from the Government, it can be seen that a sum of nearly Rs. 1,17,00,000 has been spent on Sarvodaya work in the State during the last seven years.

### **Bhoodan And Gramdan**

Although Bhoodan and Gramdan do come within the sphere of Sarvodaya, none of the centres had taken up this activity very seriously. Some of the Sanchalaks were doing some work in this direction in their individual capacity. The activity had not gathered big momentum. But at the Conference of the Sanchalaks held in August 1957, it was decided that in future all the activities of the centres should be based on Bhoodan or Gramdan Philosophy, meaning thereby reconstruction of every village as a self-sufficient Gramraj unit. How this should be achieved was laid down in a comprehensive resolution. Its implementation depended on the faith and capacity of the different Sanchalaks. On the whole the progress was not very satisfactory.

### **Vinoba's Tour**

Acharya Vinoba Bhave who has been touring the different States in India on foot, entered the Bombay State on the 23rd March last. His tour in the State extended up to the 11th January 1959. Taking advantage of his tour, a conference of the Sanchalaks was organised on the 25th at Mahud a village in the Solapur District Sarvodaya Centre. Shri Vinobaji did the inauguration of the conference. In his inaugural address

he expressed his appreciation of the work done so far in the different Sarvodaya Centres by the Sarvodaya workers and the help rendered by the State Government in the same. He agreed that the work being done was Sarvodaya work and he had no objection to the agency of the Co-operative Societies and Grampanchayats being utilised for the reconstruction work in the Gramdan villages in these centres. The Mahud Conference and Vinobaji's address have given a fresh impetus to the reconstruction work in the Sarvodaya Centres.

### **A Great Awakening**

I had the opportunity to visit all the centres more than once. During my tours of these centres I had made it a point to visit the most distant villages, however inaccessible, and to meet the local villagers and try to find out from them how they are enthused over the Sarvodaya work, whether they feel that it is their own work, whether a spirit of self-reliance has been roused amongst them, whether they have been awakened to a sense of collective effort to remove their common difficulties and whether they have become keen for an all round advancement. On the whole there seems to be a great awakening amongst them to their present wretched condition and a desire to get it changed by their own efforts with some help, if available, from other sources. This is the secret of their voluntary Shramdan or labour contribution. This is not the result of any pressure by the Sanchalak or his colleagues. What the Sanchalak does is to be in touch with the villagers,



understand their problems and help them to find a solution. It is then for villagers to carry out the solution thus thought out.

### **Psychological Change**

The villagers have now realised that in certain fields of effort they can successfully tackle their problems by their collective labour. They have gained self-confidence and a spirit of team work has been roused in them. This psychological change is a great thing. The sense of utter helplessness prevalent in these areas and amongst these areas and amongst these people is giving place to a sense of self-confidence and self-reliance. The petty spirit of self-gain is giving place to a wider out-look of gain for the village or community. With a view to taking advantage of this psychological change, the Sanchalaks are inducing the villagers to form their panchayats so that the initiative in framing the programme should be theirs and the execution of the programme be done in an organised way. Many such panchayats have come into existence in these areas providing scope for local talent and opening up of avenues of public service. It is not necessary to review the achievements under the seven different heads given above. It may, however, be stated that every centre shows an all-round progress and most of the villages have now got some or other of the amenities so essential for civic life. The progress is not uniform in all centres. It depends largely on the calibre of the Sanchalak and the local workers and on the response their efforts evoke.

### **Evaluation**

Perhaps entrusting such work to an

non-official who has no place in the official hierarchy is something new in the history of administration. Naturally there has been a good deal of criticism about this departure from the normal practice both in the legislatures and outside. It was, therefore, but proper that the result of this new experiment should be properly evaluated after it was given a trial for a sufficiently long period. Accordingly in July 1955 Government appointed a small committee consisting of Shri V. L. Mehta, as Chairman and prof. D. G. Karve and Shri D. A. Shah as members to assess the results of working of the various Sarvodaya Schemes. The Committee submitted its report a year later. The Committee has summarised its evaluation in para 105 of its report. The same is reproduced here :

"It is our broad conclusion, however, that considering these limitations (referred to in previous paras) the results of the experiment have been, on the whole, promising. When the scheme was inaugurated, there was practically no official Government-sponsored Project for the all-round development of such backward tracts or depressed areas. Social welfare agencies with limitations of finance could not undertake plans for an all-embracing socio-economic development. For the first time, Government created a special machinery for undertaking the development of these hitherto neglected areas on comprehensive lines. This step has had a psychological effect on the minds of people in the areas served and in their vicinity by creating a hopeful outlook. They have had thrown



a social worker who enjoys their confidence and of organising themselves so that external help can flow to them more freely. We consider that, apart from the material results achieved, this is a valuable gain

secured which should be consolidated for the benefit of the weakest members of society who, according to the conception of Sarvodaya, should be the State's first concern."

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# GRAMODAYA CENTRES IN U.P.

( BY K. VAIDYANATHAN )

Development of villages is the supreme need if India is to advance. Till the villages are fully developed to manage their affairs, the country cannot be considered to be well on the road to progress. Mahatma Gandhi realised it long ago. He gave a call to the country to take up this very important programme. He desired 7 lakhs of workers should come forward to work in the 7 lakhs of villages in the unified India.

It is now 11 years since independence was achieved. Many things have been done during this period to benefit the people and beautify the country. Yet, it cannot be said that the villages have been developed to any considerable extent. The C. D. A. is working hard for it, Statutory Boards like the Khadi and Village Industries Commission have been constituted. Large amounts are being spent to promote developmental activities. There is much leeway to make yet.

Extraneous assistance can help only when the consciousness of the local people is roused. They should be made to feel the pride of being the architects of their own future. That way lies the future prosperity of the villages.

Shri Raja Rambhai, an old Khadi worker of the Gandhi Ashram, Meerut, now the Zonal Director, U. P., perceived this. He

had helped to produce crores of rupees worth of Khaddar, had distributed to village spinners and artisans crores of rupees in wages. He wanted to do something more. He wanted to give a new turn to Khadi work. He made a bold attempt at channelising the activities of Shri Gandhi Ashram in a new direction, thrusting the responsibility on the villagers themselves. The Ashram readily agreed to the new experiment, Gramodaya Sanghs were started and 337 such sanghs have been formed and are functioning in 14 districts covering 3,538 villages. Rs. 4,48,837.78 have been saved by them as their working capital till the end of October, 1958. About 2,000 and odd voluntary and 391 full-time paid workers are engaged in the work. The production of Swavalamban Khadi from April '58 to October '58 was valued at Rs. 20,23,574.48 (15,23,829 sq. yds.) besides sale of Khadi worth Rs. 4,87,786.40. They in all earned Rs. 2,38,490.47 out of which they spend Rs. 1,47,121 and saved Rs. 91,369.47 during the period.

Besides, a large variety of works have been undertaken and completed, such as, digging canals, filling in stagnating pits, clearing useful waste lands, construction of school buildings, laying and paving roads and lanes, construction of drainages, wells, urinals, public lavatories, etc., establishment of Balmandirs. Here and there some village



industries like oil Pressing and Ambar Charkha have been developed. Much has been the benefit to the villages directly from all these activities ; but much more are the indirect benefits that are received as a result of these activities. Health has improved. The children are trained in clean and good habits. Enough cultivable land has been reclaimed. Above all, a new spirit of self-help and co-operation is visible. A new ray of hope and enthusiasm pervades the atmosphere. The proof of all these is the increasing demand for a large number of such organizations from more and more villages.

This new movement is worth studying and helped to develop to its full stature. It will make the villagers to grow to manhood and look after their affairs, themselves. At the bottom of the movement lies the principle of SWAVALAMBAN.

The western part of U. P., fortunately, still retains the traditional art of cotton spinning and weaving. Many are the homes which produce their own Khadi and use them. The only thing is they are very coarse, of about 7 counts and below. They also use finer cloth; but either hand loom or mill product. This should be checked. Then villages after villages will become self-sufficient in their clothing needs.

Shri Raja Rambhai gave a call to the villages in which Shri Gandhi Ashram was doing Khadi work to organize themselves to take up the work. He informed them that the commission earned thereby would be credited to their account till a sufficient

amount is accumulated and they are enabled to organize a registered society. The Vastra Swalamban subsidy of Re. 0-2-0 per sq.yd. and the production and sales subsidy were credited to their accounts. Those villages were recognized as the Sales Agencies of Shri Gandhi Ashram and the honorarium for Sales Agencies under the Commission's scheme was also credited to their account.

At first those villages are chosen, where from a few workers volunteer to give at least one hour a day for the common good of the villagers and engage themselves in any of the following activities :

1. Sanitation, (ii) distribution of free medicine (iii) collective prayer, (iv) reading room and library, (v) adult and social education, (vi) agricultural improvement, and (vii) cultural activities.

2. In course of time as people take interest and work develops the following are added to :

(i) Harijan uplift work, (ii) women's welfare work, (iii) Balwadi, (iv) co-operative store, and (v) village industries, including Khadi.

In the beginning a village worker trained in Khadi is provided by the Ashram, who manages the work with the co-operation of the local people. Gradually work is developed. The local people are associated in all activities and planning. The worker only serves as a guide. Swavalamban ideology is dinned into them. Spinning is developed. Arrangements are made to develop weaving and Khadi sales organised. Alongside, sale of non-edible oil soap, ghani oil, etc. is also developed.



Activities such as Balwadi, Mahila Samaj, collective prayer also develop. A spirit of unity begins to pervade. By this some amount accumulates to their credit.

It serves as the nucleus. Further funds are collected. An organization, on co-operative lines is developed and registered. The management and control are handed over to the local people. In the transition period. Shri Gandhi Ashram serves as Trustees and guides their activities. But, even then, their part is only nominal. The villagers are encouraged to guide, supervise and even control the working.

Thus, in course of time, these societies will have adequate funds, trained personnel and enthusiasm, too, to manage their affairs, and develop all activities. They become the decentralised agencies. This is a sure and steady way towards GRAMSWARAJ. When the people become unified and realise the immense potentiality of a corporate life, they may grow to understand the great ideals embodied in GRAMDAN. Thus, the Gramodaya Sanghs are paving the way for Gramdan and Gramswaraj.

What is possible in a part of U. P. is possible in the other parts, too. What is possible in U. P. is possible in other parts of the country. Much more so it is in the Gramdan villages. They require sympathetic handling and help. The Khadi and Village Industries Commission is helping the activities in those villages and will continue to do so. Others including State Governments will do well to study the movement and encourage its further growth.

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# TAKE TO THE VILLAGE

( DHIRENDRA MAZUMDAR )

We have been working for the last seven years in this movement to bring about a peaceful revolution in the society. We should now make a retrospection of the whole situation and chalk out the future programme in the light of our experience.

When a seed is sown it remains in an embryo stage for some time after which it sprouts. It is so with all life. Similarly when a seer begins to talk of the necessity of a revolution, it means that he is sowing the seed in society. When his ideas begin to be accepted by the society it may be taken to mean the birth of a new system. The Yelwal Conference held in 1957 showed that the leaders who participated in it approved of the Bhoodan method. As regards the people we see that they also appreciate the Sarvodaya ideology though they might not feel strong enough to put it into action. That is why I say that revolution has taken place in the year 1957.

Now this revolutionary idea has to be developed. We have so far disseminated ideas. We have now to consolidate and organise the ground gained. For this we have to establish Sarvodaya cells throughout the country.

The question is what will be the basis of our organization. Vinobaji started saying ever since his march in Orissa that the

movement will not advance on the strength of any outside organization. He called upon the people themselves to take the responsibility. In Tamilnad Vinobaji put forth the idea of *Tantramukti* or freedom from a central organization control, and *Nidhi-mukti* i. e., freedom from dependence on outside finance. The All India Sarva Seva Sangh accepted the idea. Accordingly the existing Bhoodan Committee throughout the country were dissolved and it was expected of Bhoodan workers not to depend on any central fund but on *Sampatti-dan* and other similar contributions by the people.

The underlying idea of this resolution passed at Palni was that the crores of our countrymen should consider the movement as their own. Though the resolution was passed, yet we workers of the Sarva Sangh and others could not descend to the level of sources sanctioned by the people. Perhaps it was not possible. The decision of the Chalisgaon Conference was however a necessary consequence of the previous Palni resolution of *Tantramukti* and *Nidhimukti*. The former was more comprehensive than the latter.

All this was necessary. Today we have to decide whether our movement will progress through the support of the State or on the direct support of the masses. Not only the constituent centres of the Sarva Seva Sangh but all persons and institutions



working in the name of Sarvodaya have to answer this question. If we accept that the revolution aimed at by Sarvodaya should lead to the establishment of stateless society will this be possible by making the movement depend on Government support or action? Moreover, I personally do not see much difference between relying on centralised fund and on the State. I regard them to be the same.

Now the question arises as to what should be the form of mass support and for whom it should be meant. In ancient times society was based on individualism, hence one person acting as the king used to conduct the affairs of the society and another person namely the priest kept watch on the peoples' interests and welfare. But with further progress in our ideas individualism has declined and institutions have taken the place of individual benefactors. In the political sphere the institution of Government has replaced the king and welfare institutions, the priest.

Now the ideas underlying the system of representative institutions are also declining. This system, instead of promoting the welfare of society, is now proving to be a hindrance.

Hence the idea of socialism or collective effort is making headway. The society as a whole will be the instrument of its own management and welfare. What should be the position of a worker in such a society? Will they go to villages and simply live on the support of the people like the priest of old? If they do this they will be dragging society even much behind

the age of institutionalism. That is, they will be reactionaries rather than revolutionaries. So the talk of mere mass support will not serve our purpose. We shall have to think as to how the workers will function.

It is clear that in this age of collective effort the worker would not go to the village as a preacher or priest. He should go and remain there as one among the other inhabitants of the village. That is if there are 50 families in a village, his will constitute the 51st family and will have the use of 1/51 of the village's resources. The priest was not required to share in the ups and downs of the economic life of the village. It was the people's responsibility to feed him irrespective of the economic condition of the village. But a citizen's life is a part of the village life and the ups and downs of the latter affect his life also. That is why Gandhiji had given a call to 7 lakh young men to go and merge themselves in the 7 lakh villages of India.

Hence the workers in the Sarvodaya Revolution should now go to the villages and live and work there as the villagers do. Today the salaries of workers becomes a subject of discussion. When they become citizens of the village, the average economic condition of the village will become the standard of their emoluments. The increment in the emoluments will then be proportionate to the betterment of the economic condition of the village due to the increased initiative and activity of the people as a result of the worker's stay in the village. It is my conviction that we will have to proceed on these lines, if we have to



further the cause of the revolution.

I may here cite the instance of Khadigram to elucidate my point. Khadigram is mainly the centre of Nai-Talim (Basic Education). According to the resolution of the Akhil Bharat Sarva Seva Sangh we shall now have to base this activity on the people's support. Naturally this cannot be done within the confines of Khadigram. The whole Sarvodaya movement is to be left to the initiative of the people. How can then Basic Education which is the foundation of this revolution, be confined within the walls of an institution? It has therefore been decided to send the workers of Khadigram in groups to villages where they should develop people's initiative and through it further the cause of Basic Education. By January 30, 1959 about 15 families of workers will go to live in the villages. We have for this purpose selected four regions within the districts of Monghyr and Bhagalpur.

First of all we shall take up the programme of propagating the idea and ideal of Gram Swaraj in every village of the area.

Our rural people have not yet realised that centralised state is no more the instrument of people's development. Unless they grasp this idea our Revolution will not make headway. While the people have lost faith in those who become the instruments of running the state viz., the political parties, they still consider the state itself as necessary for and capable of their welfare. We shall have to tell them that howsoever competent and capable the rulers may be, the state itself is the root of our miseries.

We shall then have to give to the villa-

ges a concrete programme after they have imbibed the idea of Gram Swaraj. The Programme may vary from village to village according to different circumstances. But it must be made clear to them that there are three fundamental responsibilities which the people of every village must shoulder. These are to provide every body in the village with (1) the wherewithal of living (2) education (3) safety or village defence. In this context we have to chalk out programmes regarding self sufficiency in food and clothing, expansion of education and Santi Sena.

We shall have to lay stress on the following points in those villages which decide for a Gram-Swaraj —

(1) All able-bodied persons of the village should contribute their physical labour of one day per week for the village.

(2) The village should resolve to work towards self-sufficiency in cloth, and

(3) Every land owner of the village should donate five per cent of his land to the Gram Swaraj Samiti as a first step in the direction of Gramdan. The land thus donated should be consolidated as far as possible in one piece and collective farming should be started in it.

We must bear in mind that a new stage has come in the Bhoodan movement after 1957. That is, we are now passing through the stage of consolidation after having gone through the state of propagation of ideas. We have now to put our heart and soul in the movement for developing mass initiative and strength.

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Speech delivered at the 5th U. P. Sarvodaya Conference, Gorakhpur on December 28, 1958.



# ALTERNATIVE SECURITY

( By GORA )

No one understands the disadvantages of private property more than the man of property himself. He finds that his property is limited to what he possesses and that it is always inadequate to meet the demands of his desires, growing family and increasing wants. He is constantly exposed to the secret envies of neighbours. He has to kill his conscience in order to be callous to the sufferings of his fellowmen. So private property is neither comfortable nor respectable. Why, then, does man stick to it?

Under the existing economic order private property is the only means of providing security of life. It appears, the more the property the greater the security. So everyone competes with others to accumulate property by hook or by crook. Yet people have no charm for it; they would gladly part with it, if an alternative security is shown.

The alternative is already latent in the institution of families. In it neither the parents nor the children hold private properties. They own the property in common; they rear it in common and they share its benefits in common. Each one feels secure in mutual love and sympathy. This is the order which is an alternative to the system of private property.

In the strict sense of the term, seldom has anyone private property, today. Man outgrew that stage very long ago. He has merged himself into a society which is but restricted to the family so far. Today the individual is not selfish; the family unit is selfish. But man's affairs have spread beyond the borders of his family. He requires wider help and sympathy than his near relations could give. So the unit of his society should be bigger than his family.

It is pleasing to hope that the social unit should be as large as to embrace the entire humanity. Of course, our love can be very extensive reaching animals and plants as well. But if the management of the social unit should be anywhere similar to the family, human frailties advise limiting of the size of the unit. Man has prejudices. Things out of sight often get out of mind. He is as much indolent as he is industrious. Man being what he is and because the social unit has to be managed by the representatives of people, good management is assured only when the relation between the representative for a constituency of three to four hundred population is reasonable. It avoids the defects of the present day big-constituency democracies and enables the efficient functioning of the provisions of democracy like



recall, initiative and referendum. Likewise the deliberations of a committee can be cool, collective and considerate when its membership ranges from ten to fifteen only. Working out in this manner, the population of a convenient social unit can be three to five thousand. Further, so that the unit may be fairly self-sufficient in its primary economic needs, it requires at least as much acreage. Nevertheless, the figures given above are elastic differing in extent with the social conscience of the people on the one hand and with the fertility and availability of land on the other.

Such a unit is ordinarily a village or a group of contiguous hamlets or a division of bigger towns. This self-sufficient and self-administering unit is called a village republic or a gramraj. In gramraj there is no private property restricted to families. All properties of the village belong to the village. Those are managed by the elected village committee whose primary duty is to provide such employment to all the residents as will meet the varied needs of the village and which will properly utilise its material resources and manpower. The residents share in common what they produce, just as the members of a family do. Their comforts increase with the wealth they produce. So the citizens work with growing devotion and vigour. Such an increase in initiative, enthusiasm and material wealth is definitely noticeable in the gramdan villages which have adopted the gramraj method.

Most of the needs of the people are answered by the village republic itself. For wider needs like higher education, research

river valley projects, irrigation, appeals against local injustice, country wide communication and exchange of produce. district provincial and even world councils can be formed by a successive series of indirect elections. While all power resides with the people and their village committees, limited and necessary powers are delegated to the district and other committees.

—Bhoodan

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# RURAL CREDIT IN INDIA

( BY VAIKUNTH L. MEHTA )

The dominant feature of India's national economy is that the agricultural industry contributes nearly half of our aggregate national income. Those engaged in that industry constitute roughly seven-tenths of our population, of which population four-fifth reside in villages. Of agricultural holdings 48 per cent are of five acres and less. No study of Indian economy can hence be complete unless it extends to a consideration of these factors.

Like other industries, the agricultural industry, too, stands in need of finance. The pattern of financial needs of agriculture, it has been recognised all over the world, is different from that suited for other industries and for trade and commerce. The modern joint stock form of banking organisation, as it has developed during the last century and a half, particularly, in India has been found to be unsuited for financing agriculture. This experience is not peculiar to India. In other countries, — European and American, — and in Japan, a special machinery has been devised for the provision of agricultural credit. Agriculture is an occupation that is carried on in most countries by individuals, the size of whose operations and hence credit needs is small, in conditions in which the constant personal care and attention of the individuals count a great deal in the economics of the enter-

prise. The security available is often intangible, and when not so it is not easily enforceable by an organisation remote from the borrower. The outturn from year to year depends on the vagaries of the seasons. Even where rainfall is assured or there is moisture in the soil, factors such as pests and diseases, flood and frost, affect production.

## The Experience

At the commencement of the present century, these aspects of our rural economy came in for attention at the hands of the Government of India, because of the distress that was caused by the famines that occurred in the closing years of the nineteenth century and the first couple of years of this one. Even earlier, attempts had been made to deal with the problem of agricultural credit by the enactment of laws for the provision of State credit for purposes of cultivation and for land improvement. We find, however, what is borne out by the experience of other countries, that the State may be a benevolent lender, but it is not an efficient one, and that its operations do not evoke that sense of financial responsibility which alone can lead towards better business and better farming.

Drawing, therefore, on the experience of their countries, Government decided in



1904 to introduce among the Indian peasantry a system of agricultural co-operative credit, somewhat similar to what had been developed with good results in Germany. Credit was to be provided through co-operative societies composed of agriculturists residing in a village or a contiguous group of villages, so that there would be mutual knowledge and contact among the personal aspect of agricultural credit could be duly looked after. The village units were expected to promote thrift by attracting savings from members, supplementing the local resources by obtaining loans and deposits from individuals or from Banks or from Government. The extent of the outside credit would be dependent, it was assumed, on the extent of the members' efforts to practise thrift.

### **Co-operative Credit**

In the course of a brief talk it is not possible to trace the history of the agricultural co-operative credit system during the last half a century. It has had its ups and downs; and, during the world-wide economic depression, the movement was in danger of being swept away by the blizzard, particularly since no effective action was taken by the Government of the day to meet the crisis. During the first thirty years of the working of the system defects had come to light, the chief among which were that merely the provision of cheap credit could not lead towards a progressive economy and that operations based on the personal element in credit could succeed, as under the indigenous system of money lending, if linked to ancillary operations such as supply of agricultural as other essential requisites

and the marketing of the produce. That greater success was met with where borrowers were either peasant proprietors or had their tenancy secure and protected was also borne out by experience. While illiteracy was no bar to progress, societies composed of members who could participate in and exercise control fared better than where backwardness, educational and economic, prevailed.

Several of these defects came to light in the course of the comprehensive surveys of our rural economy carried out, first, by the Royal Commission on Agricultural and, a little later, by the Banking Inquiry Committee. Co-operative Credit would be effective, both these bodies emphasised, only if it constituted an Integral part of a programme of rural reconstruction. At the same time, the Banking Inquiry Committee recommended that the co-operative credit structure should be made an Integral part of the banking system of the country, with the Central Banking authority, namely, the Reserve Bank of India at the apex. Accordingly, suitable changes were made in the legislation under which the Reserve Bank of India was established, providing for the recognition of apex or provincial co-operative banks as agencies through which accommodation for financing of the agricultural industry could be extended to members of agricultural co-operative societies.

### **Co-ordination**

It is the function of this Department to study questions pertaining to agricultural credit and to coordinate the operations of the Bank in this sphere. One of the earliest recommendations of this Department related to the encouragement of



multi-purpose co-operative societies so as to comprehend within their operations objects ancillary to credit and to link the movement with a programme of rural reconstruction. Although concerned primarily with the business side of the agricultural credit organisation, the Reserve Bank of India has interpreted its responsibilities broadly and has interested itself in the building up of a sound and extensive system of co-operative training.

When the co-operative form of organisation came to be accepted as an instrument of State policy in the First Five Year Plan, "the establishment of credit societies in the villages" was recognized by the Planning Commission "as a *sin qua non* of the organisation of credit in the context of planned investment in the developmental schemes approved in the Plan." Provision was made in the Plan for short term credit to the extent of Rs. 100 crores, to be provided under the directions of the Reserve Bank of India. In order to ascertain how the system of agricultural credit could best be organized that Bank appointed the Rural Credit Survey Committee, the recommendations of which body have formed the basis of the programme for the provision of agricultural credit outlined in the Second Five Year Plan. According to this programme, the provision during the current Plan Period is of the order of Rs. 150 crores for short-term credit, Rs. 50 crores for medium-term credit and Rs. 25 crores for long-term credit. Amendments have been made in the Reserve Bank of India Act to enable it to provide accommodation by way of medium-term credit. It has interested

itself in the building up of a sound co-operative structure by extending certain aids for training and for development, financed out of funds specially created for the purpose.

### State Bank's Part

As the principal constituent of nationalized State Bank of India, which has replaced the Imperial Bank of India, the Reserve Bank of India is also likely, through branches of the State Bank of India, to facilitate the flow of funds especially for the finance of agricultural marketing and the purchase of debentures of land mortgage banks. Indirectly it is also associated in the allied development in the field of marketing—the establishment of the Central and State Warehousing Corporations which are expected to develop the Warehouse warrant as an instrument of credit in rural areas. While the Reserve Bank of India Act has been amended to enable it to provide accommodation for cottage industries, in collaboration with it the State Bank of India has taken steps to extend credit facilities, particularly through its branches, to small-scale industries. This sector of the rural economy is, however, still dependent as largely as the agricultural sector on the money-lenders for its financing. The only difference is that, latterly, Government and co-operative banks have come into the picture.

### Rural Credit Survey

The Rural Credit Survey disclosed that of the total borrowings of agriculturists, until 5 years ago the bulk was provided by private agencies, mainly money lenders and



that the share of Government was 3.3 per cent and of co-operative societies 3.1 per cent of the aggregate operations. That of joint stock banks was negligible. It is true that the percentage of contribution of co-operative agency is higher in some States. There may be pockets where it is substantial. But the position that was revealed then still holds good. For the 91 lakh members of our agricultural credit and multi-purpose societies numbering 1,61,510 on 30th June, 1957, the loans advanced in the previous year totalled Rs. 67 crores as against aggregate requirements amounting to about Rs. 1,000 crores. As observed earlier, there is provision made in the Second Five Year Plan for an expansion of the institutionalized credit facilities. This is feasible if the movement is reorganized on the lines indicated in the Plan, so that we have efficient viable units at the bottom of the structure so constituted as to be able to invest with safety the large funds that are channelled through their agency, with repayments secured from the crops financed. Hitherto, the credit system did not enjoy this essential link with supply and marketing. Besides, both the agrarian economy and the outlook for comprehensive development are now different. Hence, while the task of agricultural credit reorganisation appears to be stupendous, if it is essayed along the lines indicated by experience, the co-operative credit movement may, in future, be of service to the countryside, even more effectively and efficiently, than in the first half century of its history.

—(Courtesy: AIR, External Service)

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# WHAT IS A VILLAGE INDUSTRY ?

( By R. SRINIVASAN )

Village industry, as its name implies, is not merely one that is capable of being located in a village, but one that fits in with the village life and economy. Agriculture being the primary occupation of the village population, any industry that can be considered suitable to a village has to be one that aids the development of agriculture. It, therefore, means that the industry which is calculated to further the development of agriculture should also strengthen the social life in the village and satisfy the primary needs of life of the persons comprising the village community, as agriculture does. Village being widely dispersed, it also implies that the village industry has perforce to be carried out in a decentralized manner.

## The Criterion

If these are the incidence of village industries, it will follow that any industry located in a village merely for giving more employment to the village community and not influencing the vital parts of village life does not necessarily become a village industry. Cottage or small-scale industry started only with a view to give more employment, but is not intended to influence the day-to-day life of the villagers, cannot be stated

necessarily to become a village industry. The primary needs of life of the village population have to be those which relate to the requirements of the people in the matter of food, clothing, shelter and culture. Therefore, it follows that the village industry, to be termed as such, has to be one that is related to any one or more of these aspects of village life and which can be carried on in a decentralized manner and which strengthens the social fabric of the village population.

It may be assumed that the above are the main consideration which weighed with the All India Khadi and Village Industries Board when it took up the several industries under its purview. The schedule of industries coming within the purview of the Board, as also its successor the Khadi and Village Industries Commission, consists of Khadi and twelve other village industries for the present. It will be seen that these industries taken up by the Khadi and Village Industries Commission relate to one or other of the four essential requisites mentioned above, viz., food, clothing, shelter and culture of the village population. It may also be seen that the schedule of industries, as per the Act constituting the Khadi and Village Industries Commission, is only illustrative and not



exhaustive, for it does not exhaust all the industries which can be considered to satisfy primary and essential needs of life. While Khadi is best suited for self-sufficiency of the individual, the family or the village in the matter of clothing, the rest are expected to satisfy other requirements of the village or a group of villages as a unit. To achieve an all round development in village life, it will be necessary to take up more industries relating to all the four essential needs mentioned above which the Commission will consider and proceed to take up from time to time as and when it is ready to do so.

### **The Problems**

Village industries undoubtedly influence the political, economic, social and cultural aspects of village life. Though, in the present context of the country, the political aspect is not of much significance, the social, cultural and economic aspects have paramount importance. In every one of these aspects the village industries have a bearing. The manner in which the industries have to be operated will have necessarily to be in unison with the social and economic objectives that the country has laid down for itself in its Constitution.

Problems connected with the village industries are common to all of them in general. Every one of these industries has numerous artisans and craftsmen behind them who had been responsible for strengthening and maintaining the village life for centuries. These artisans have been carrying on their activities as a matter of tradition and many of them

are even now sticking on to the same profession and struggling for existence in spite of the overwhelming competition from centralized industries. These traditional industries still remain the saviour of the village population more particularly in times of war, famine and like calamities. The immediate problem of village industries will, therefore, be generally to revive, sustain and strengthen these activities in the villages by giving effective succour to those artisans who lead an unenviable and precarious existence.

### **Operative Conditions**

The mere fact that these traditional artisans are able to withstand heavy odds, however unorganized they may be, implies the existence in them of the basic skill necessary for the continued operation of these industries. However, the implements and instruments used by them are either out-moded or are inadequate in the present context to offer them gainful occupation. Improved implements to enable them to earn more have to be supplied and training in the use of these improved implements has to be given. Since these industries, by their very nature, are not capable of giving any decent margin of profit to aid capital formation, the capital necessary for their working has also to be provided for. To strengthen the industry and for marketing the goods produced, organization of these artisans should also be created. Organizations so set up must be such as to strengthen the social and economic objectives of these industries. All these considerations have been taken into account in the framing of the schemes for the implementation of



the programmes of the Commission.

### Organisation

Having been neglected for centuries, these artisans have been forced down the social ladder. As they do not have even the wherewithal for keeping their body and soul together, it is but natural that they have no stamina to organize themselves. Concerted efforts have, therefore, to be made to organize them and to supply the necessary organizational set-up to further their cause. In the past some efforts have been made to form organisations to look after their interest. Mention may be made of the two premier organizations, viz., of the All India Spinners' Association and the All India Village Industries Association constituted under the advice and presidentship of Mahatma Gandhi. These organisations formed under Act XXI of 1860 (Societies Registration Act), consisting of public workers devoted to the cause, had largely fulfilled the purpose for which they were founded. Such organisational pattern was considered to be adequate for the needs under the circumstances prevalent before independence. But now that the industries have to play a larger part in the country's economy, it is necessary that the organizational pattern has also to change to suit the altered circumstances. All the same the character of the industry has to be kept up and the social and economic objectives have to be borne in mind.

### Co-operative Method

Hence, the co-operative set-up for the organisation of these industries seems to be the most effective method. Co-operation can be expected to bring about increase of

production, increase in employment and aid equitable distribution of the gains of useful occupation. While it affords fullest opportunity for the development of personality, it safeguards also collective interests and security. Of course, though co-operation is nothing new to some of the States in the country, it has to be admitted that it has not progressed adequately to suit the present needs. Special and concentrated efforts have to be taken in the matter of educating people, especially the village population, in the formation and working of co-operatives and their management. Suitable administrative measures active educative efforts and vigorous propaganda will have to be taken in hand to enthuse the village folk to take up co-operative methods and requisite facilities and incentives have to be provided for.

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# TRAINING IN BEEKEEPING IN FOREIGN LANDS

( BY S. K. KALLAPUR )

The kind of attention that we give in India for the training of villagers in the beekeeping industry is not given anywhere else in the world. They seem to regard the persons in the profession more worthy of attention than the beginners, and for good reasons.

In our country we have the instance of hundreds of persons who either do not or cannot take to the industry even after receiving training for various reasons. Hundreds who enter it, practise it for a year or so and then leave it and the money that we spend over the training is wasted. It is not a small expenditure. We appoint junior fieldman on a consolidated salary Rs. 80 per month to impart training to persons offering to learn the industry. These fieldmen remain in the villages for a minimum period of three years. In many cases the agencies in charge complain that this period is not sufficeint. Once a fieldman gets into a village, he is not permitted to come out at all.

## The Object

The object of a scheme like this is to impart training in the beekeeping industry in the homes of the villagers themselves.

The fieldmen do the hiving of the colonies for them in the initial stages, visit the apiaries as often as necessary and, having assembled the members of the families of the beekeepers during their visits, initiate them into methods of modern beekeeping. I cannot say if the fieldmen do so in all cases, nor can I state if the beekeepers come forward to learn the science by taking advantage of the opportunities offered to them; but this is what is expected of the scheme. If everything goes as desired, about 50 persons should become experts in the practice of beekeeping and keep apiaries of an aggregate of about 500 colonies in about 3 years and harvest about 6,000 lbs. of honey a year.

## In Switzerland

Assistance of this magnitude and this sort is not given to persons thinking of taking to the industry anywhere else in the world. A near parallel is seen in Switzerland where beginning with bees is comparatively easier than in most of the advanced countries. Any Swiss desiring to keep bees has to become a member of the local association of beekeepers by paying an annual subscription of 2



or 3 or 4 franks\* as the case may be. The authorities of the local association then direct the inspector attached to the association to assist him. If so desired, the inspector gets for him a colony of bees. He visits the apiary of the beginner as often as necessary. For the major part of the knowledge which the fieldmen in India impart to our villagers, the Swiss beekeeper relies on books and journals which play a very important part there.

### **In France**

In France, a few beekeepers have made arrangements for the training of beginners in their own apiaries. Such training classes are held twice a year in the proper season. The first of the courses starts in March and lasts for 3 months. The classes are held twice in a week. On each day, lectures in the theory of beekeeping are given. Each lecture lasts for one hour and thirty minutes. They are followed by practical work which lasts for two hours or so. The second course starts in June. The trainees have to come to the apiaries of such professional beekeepers to receive the training. Thus the French do not have the opportunity of learning the industry in their own homes as the Indians and the Swiss are having. Secondly they have to pay a fee of 1,500 to 2,000 franks (Rs. 16 to 25) for the duration of the course. In addition they have to make arrangements for the boarding and lodging on the days when they attend the classes.

In addition to these courses for beginners there are courses conducted by two agencies which do not charge any fees.

The candidates attending them have to pay only for boarding and lodging. One of them is the Societe Centrale d'Apiculture and the other is the Laboratoire des Recherches Apicoles of Nice. The former course is conducted in the Jardins du Luxembourg in Paris. The latter institution conducts the courses at different places in the country according to their turns in the seasons. Each of the course is for the duration of a month. As in the case of the other course, the villagers taking the course have to assemble at one place and find the expenditure for lodging and boarding. The lectures are given by experts attached to the Research Institution.

### **In Czechoslovakia**

As in Switzerland, the imparting of instruction to beginners in Czechoslovakia is under the care of the Bee keepers' Associations. In addition, a few of the Research Associations and the beekeeping stations which are something like our model apiaries, also impart instruction to them. In a few cases, the experts attached to the Research Institutions associate themselves with the Associations and the two co-operate to conduct the course. In a few cases, the courses extend to a month. The persons appointed to lecture at them should possess a minimum educational and technical qualification; they should have six years experience as practical beekeepers and should possess a certificate of successful training in anatomy, physiology, bee diseases, infections, chemistry, technology and wax and honey, bee botany, queen rearing and the provisions of the laws relat-

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ing to bees and beekeeping.

### In Portugal

In Portugal, similar courses are held by the Posto Central De Fromento Apicola of the Public Administration headed by the Principal of Agricultural Services Department which is in charge of the teaching of the best methods of beekeeping of the farmers.

No associations exist in Chile where the courses are conducted every year in Santiago, by the Department of Agriculture.

In Austria, England and Italy and in some other countries, persons taking to the industry, do not have these advantages. They have to apprentice themselves to an expert or a professional and learn the industry while practising it. They have the advantage of books and periodicals. As the industry has reached the saturation point and nearly every village where beekeeping is possible does have one or more persons in the line, it becomes easy for

them to get the help they require to begin the industry.

### Training In Better Methods

In nearly every advanced country, beekeepers who have been in the line for a number of years, do possess the advantages of a higher training. In England, Australia, Austria and nearly everywhere in the new world, summer courses are held at least once in a year by the Organisation of Beekeepers. The duration of the course is of about 15 days. Beekeepers assemble at one place. The lectures are given by the experts: sometimes they are professors in the Colleges and Universities. Sometimes they are Inspectors or State Apiarists. No fees are charged: the boarding and lodging expenses are to be paid by the beekeepers who attend. The class is limited to not more than 30 persons and is available to registered beekeepers only:

The following gives an idea of the lessons given at such courses.

1st day :	9 a. m. to 12 noon-	Visit to equipment manufacturing plant
2nd day :	6-7 p. m. -	History of Beekeeping-(Lecture) particular reference to legislation
	7-8 p. m. -	The Inmates and Products of the Hive (Lecture)
	8-9 p. m. -	Beekeeping Film (Display)
3rd day :	6-7 p. m. -	Seasonal Management-Spring and summer (Lecture)
	7-8 p. m. -	Extracting, Swarming and Increase (Lecture)
	8-9 p. m. -	Colour slide series-General Beekeeping (Display)
4th day :	9 a. m. to 5 a.m.	Visit to honey packing plant
5th day :	6-7 p. m. -	Seasonal Management-Autumn and Winter (Lecture)
	7-8 p. m. -	Honey Flora (Lecture)
	8-9 p. m. -	Honey Flora Colour Slides Series (Display)



6th day :	6-7 p. m. -	Marketing Honey and Bee Wax (Lecture) -
	7-8 p. m. -	Diseases (Lecture)
	8-9 p. m. -	Colour Slides and/or Films (Display)
7th day :	9 a.m.to 12.00	Visit to Apiary
	noon—	
8th day :	6-7 p. m. -	Queen Rearing (Lecture)
	7-8 p. m. -	Pests (Lecture)
	8-9 p. m. -	Colour Slides and/or Films (Display)
9th day :	6-7 p. m. -	Migratory Beekeeping (Lecture)
	7-8 p. m. -	Discussion Panel
	8-9 p. m. -	Film Evening—Movies
10th day :	9 a. m. to 12 noon— Visit to Queen-rearing Apiary.	

### Extension Work

In Canada, extension work connected with beekeeping is under the Jurisdiction of the Provincial Governments. Each province has a provincial Apiarist together with a staff of Inspectors. One or the other of them attend meetings of the provincial associations where lectures and practical demonstrations are given touching all aspects of the industry.

In Czechoslovakia, organisation of beekeepers arrange for the instruction of their members. Simultaneously such lectures are given at Research Institutions and at beekeeping stations, i. e., at the model apiaries. The minimum qualification prescribed for the lecturers is set out earlier.

### In Russia

In Russia, the Government has established 50 beekeeping schools with one year's term of training for the benefit of farmers already in the industry. These schools have another purpose as well, to

train them up for being put in charge of the State Farms.

In France, courses for the benefit of persons already in the industry are held by the laboratory of Nice. The courses are of the duration of 10 days. Lecturers attached to the Laboratory tour in the several districts during the season: the districts get their turn according to a time table. About six districts are covered in a year. The Station de Recherches Agricoles of Bures-sur-Yvette holds a similar course twice in a year for the benefit of beekeepers of three years' standing at its headquarters.

The Laboratory of Nice has similar peripatetic parties of lecturers for imparting instructions in queen rearing, the treatment of diseases and for the package bee business. These classes, in particular those which relate to the treatment of diseases, are also attendable by inspectors in the service of the veterinary department. At the end of the training, diplomas are given to success-



ful trainees. The diplomas entitle the holders to be appointed as inspectors in bee diseases.

## Training To School Children

The best arrangements for the training of school children for the beekeeping industry exist in Czechoslovakia: the object is not so much to make the children experts in beekeeping. The training has the object of awakening the interest in bee-keeping to them and to give them fundamental ideas of bee-keeping and enable them to own a few colonies and a garden. Beekeeping classes are attached to elementary schools in the countryside wherever facilities exist and in all 8-year and 11-year national schools. Usually such schools have in their vicinity teachers possessing the qualifications mentioned earlier.

Similar arrangements exist in some countries of Britain.

## General Training

Training of a general character which has the object of giving some knowledge of beekeeping is imparted in nearly all the Agricultural and Veterinary Schools and Colleges almost in every country known for beekeeping.

In Canada, in addition to the Agricultural Colleges Agricultural Divisions are attached to Agricultural farms and branch farms in seven provinces. Training is imparted to persons taking up the course in beekeeping. At the Ontario Agricultural College the degree of B. Sc. in Agriculture with specialisation in Apiculture is offered.

The College also accepts candidates after M. Sc. Degree with specialisation in Agriculture.

In Czechoslovakia, beekeeping is a compulsory subject at Teachers' Colleges, Agricultural and Technical schools, Technical Veterinary schools, and Fisheries Schools. At the first two, the theoretical part occupies 57 hours and the practical part 9 hours; and in the others the theoretical part occupies 36 hours and the practical part 9 hours.

In Austria, there are beekeeping schools in the Provinces at Impt, Linz, Klagenfurt, Craz and Parshch where a kind of special training in Beekeeping is given. Similarly training is also given at the Research Institution in Vienna (Bundesanstalt) and the University institute where, in addition, a specialised course can be taken.

A mention has been made of about 50 beekeeping schools for farmers in Russia. In addition they have five specialised experimental stations and 10 beekeeping departments attached to Agricultural Colleges and Universities where beekeeping receives special attention.

## Training For Recruitment

While giving an idea of the training for the advanced beekeepers in Czechoslovakia it has been mentioned that the persons to be appointed as teachers should have had experience as regular beekeepers for a period of six years and should have taken a course in anatomy, physiology, bee diseases, infections, chemistry and technology of honey and wax, bee botany, queen



rearing and the laws relating to everything on beekeeping. Only such persons are entrusted with the organisation of beekeeping and lecturing and organising beekeeping courses.

Yet there is another course in Czechoslovakia, which grants a Bee Master's Diploma. Stipends are paid to the candidates selected for the purpose. It is of the duration of two years. At the end of it the successful candidates are attached to bee farms at State Farms, in State Forests and in Agricultural Co-operatives.

Russia pays even more attention to the training of specialists to be put in charge of State Farms. Five specialised experimental stations attend to this work. Special courses for the training of inspectors of diseases are given to persons now.

But in other parts of the globe, there does not seem to exist any special course for the inspectors of disease etc. Training in that part of the programme is given at the Research Institutes to persons thinking of taking up appointment as inspectors and supervisors. Of them some, as in France, happen to be already in the Veterinary services. In Italy they have common inspectors for the three industries of Silk, Poultry, and Beekeeping. In Switzerland experienced beekeepers are given training in the diagnosis and treatment of bee diseases. Their services are requisitioned during times of need. They are paid for the days on which they work. This is also the case in England and in some other countries.

In addition to giving the training at the Research Station, peripatetic parties, too, give the training in France.

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# ECONOMICS AND SOCIETY

(By PROF. RAMKISHORE)

Modern Economics is the gift of the modern civilization. It is based on the concept of an 'economic man' and how he fulfils his wants in everyday life. This modern economics believes in the multiplication of wants. It lays stress on money, Individual effort and individual benefit. It believes in demand and supply; and in 'consumer's surplus', because everything is calculated in terms of benefit to the individual. Social justice, benefit of the society or the nation as a whole is rarely looked after. Even if in certain cases the good of the nation is considered, in majority of the cases the so called upper class gets the largest benefit from the same.

## Question Of Values

Modern economics lays too much emphasis on large scale industrialization. Those countries that are not industrially developed are termed as 'underdeveloped' countries. The very basis of the idea of 'development' seems to be defective, insofar as it lays emphasis on the material side of life only. And as great saints and thinkers like Gandhi, Tolstoy, Ruskin and others, have often said, the materialistic point of view is not enough for the happiness of man. We should take into consideration other values of life also like social justice, co-operation, love

righteousness etc.

## Defective

From this point of view it may be clear that the so called *modern economics* is defective in its approach. An agriculturist toils for the whole season and produces a certain quantity of output. If the output is to be sold strictly according to the laws of demand and supply, the agriculturist will be at a loss. If the businessmen are allowed to purchase agricultural produce at their own prices i.e., the market price (which is a misnomer), and if the moneylenders are allowed to charge as much interest and profit on their capital as possible, the poor men will be nowhere. This is why many people have left their farms and have come to towns and cities to earn a livelihood. And so a Welfare State or a Socialistic State has to interfere in the so called 'free economic activities'. That explains why planning is required for the development of a nation.

## An Illustration

It may be clear now that there is something wrong with the concept of *modern economics* as such. As a matter of fact the economic life of the people should be organised in such a way as to benefit the whole mankind. And when thinking of the rural people, we should aim at developing the village people in all



the human values. Not that every individual should seek his neighbours, but through co-operation and a brotherly feeling towards all. This may be illustrated by an example.

Take a common village about 50 years back. There were two families of Telis who pressed oilseeds and obtained oil which was purchased (on barter basis in some cases) by the village people. There were a few families of shoe makers; a family of ironsmith, a few families of potters and so on. The villagers consumed the articles produced by these artisans. However, a few years later the mill oil came in, factory made shoes and utensil and steel goods came in. And, by and by, these crafts were ruined. This was because everyone thought of his own good and not that of the whole village. So, which is the real

'economics'? That which teaches people to hanker after selfish motives and material gains or that which teaches them to co-operate, to sacrifice and work for each other?

### Need For New Concept

Of course there are good points in the *modern economics* also, which have given us a practical solution to many of our everyday problems; but such things like cut-throat competition, monopolies, centralisation of industries, excessive division of labour and others have done much wrong to humanity. A rational and broadminded view is required in these and other matters. Let us not follow the '*modern economics*' blindly, which is a handmade of the western civilisation; but evolve a new concept of social economics based on human values and suitable for Indian conditions.

## Some Recent Publications :-

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# A REPORT ON CHANGING INDIA

**India Changes ! By Taya Zinkin ; Published by Chatto and Windus,  
London : 223 Pages : Price 25sh net.**

Mrs. Taya Zinkin is a correspondent in India for the "Manchester Guardian" and the "The Economist" (London). As a journalist, she has toured the country and as an observer she has shown a keen sense of perception and understanding. She has wide contacts with people that matter. She has few inhibitions, which has helped her to be informal and intimate. Her *bob homie* approach creates confidence and this has helped her to acquire information and a certain grasp of the urges and aspirations that motivate post-war post-independence India. Her reports, therefore, are informed and her presentation attractive and impressive.

"India Changes" ! is her report on this country mainly on her personal inquiries and observations. She says : "This book about a generation in transition is largely based on personal observations. Almost every book about India must be so in the absence of adequate information. Even if statistical data were available, they could not describe India's transformation. One has to rely very largely on what one has seen oneself, or on what one has been told by others who have seen themselves. Inevitably some of one's conclusions will be unwarranted, or distorted,

or incomplete. For such mistakes I can only apologize in advance."

In her report she takes in the stride the democratic transformation of the social, economic, political and spiritual phases of Free India during the last decade. According to her, the silent, steady yet democratic revolution in India represents a unique event in the annals of the world because in most of the Western countries economic revolution precipitated a political revolution whereas in India political revolution preceded the economic one. This created innumerable obstacles in the way of India's industrialisation. The way India tackles these complexities and marches ahead with determination is described in this book.

After a preliminary examination of the nature of Hinduism she proceeds to describe the personal and social changes that the West has brought to India. Further, she goes on to subjects like marriage, family, the position of women, the breakdown of caste system in villages and towns, the leaders of the change, and the status of untouchables as well as of minorities. She has presented her subject with considerable skill. Can it, however, be said that it is faultless or entirely objective?



The entire book is divided into four parts. The first briefly deals with a vivid description of socio-economic conditions in Indian villages and the unique pattern of ancient village communities. Salient features of Hinduism are also discussed in this context.

The second part describes the position of women in Indian society, marriage and family relationships and family planning. Under this chapter the writer gives credit to Gandhiji for the social, economic and political emancipation of Indian womanhood. Taya Zinkin maintains that, "socially and politically, women to-day are the creation of Mahatma Gandhi. It was he who insisted that women enter ashrams and go on hunger strikes and Satyagraha marches. He believed in complete equality of men and women and, therefore, he used women just as he did men to restore India's national self-respect and to get rid of the British. Under his leadership, women picketed cloth shops and went to jail in their thousands. Such women as Madam, Pandit and Rajkumari Amrit Kaur are the result of his work. Gandhi was more of a revolutionary than Marx ever aspired to be: Gandhi was Revolution."

The third part covers important aspects of the social change in India. The chapters are headed "Leaders of Change," "East-wind West-wind", "The Children of God", "Old-water. New Hygiene and "The Minorities". Under the social fabric of Indian society, "the caste is undergoing a series of revolutionary impacts, all of which interact in the traditional village to make for equality and

a broadening of the villagers' horizon. To an outsider the village may seem petrified in the past, yet to the villager himself it has been ripped open by sweeping winds of change, so all-pervasive that it is impossible to be sure of all its elements."

The final part touches the subtle aspects of "India Changes"! The chapter "Gandhi" is an effort to discover the innermost qualities and characteristics of Mahatma Gandhi. "Gandhi was unique. A Saint through Action. The Yogis and reformers who preceded him took little interest in social and political problems. They either sat on the mountain tops or in their hermitages or, like the Buddha, they preached to the masses. Gandhi, however, made no distinction between religion and politics. He did not distinguish between Caesar and God, because Caesar is merely an element of the divine universe. For him nothing existed apart from universe. As he could not dissociate religion from life or life from religion, Gandhi set himself actively to create conditions that might help to usher in the Kingdom of God on Earth. He was not concerned with economic notions or material equality. He was concerned with human equality – equality between black and white, Brahmin and Harijan, man and woman, rich and poor, ruler and ruled."

A constructive and critical appraisal of the Bhoodan and Gramdan movement constitutes an interesting and thought-provoking chapter of the book. About this she says: "Bhoodan" is a controversial cure for India's ills and the tensions of the atomic age. On the debit side



there are the inefficiency of its administration by amateurs, the poverty of much of the land that is given, and the fact that Bhoodan is a one-man show. This means that while Vinoba Bhave can get thousands of acres of land with ease, Jayaprakash Narayan can get only a couple of hundred acres with difficulty. On the credit side, there are : the very existence of Narayan, which assures continuity of leadership ; the role of the Government which, for example, enters the changes of ownership in the Record of Rights ; the fact that, even if only a third of the land donated is good, it is still a great deal and much of the remaining land will eventually be reclaimed: thousands of families who are now settled on land, which adds to political stability; and the orientation that has been given to the constructive activities of Gandhi's followers who felt lost after Independence". In this context she narrates her personal observations of the ambitious rural uplift programme through "Community Projects" sponsored by the Government of India. She presents a brief resume of the development work and of the present position of "Community Projects".

She describes Nehruism and the Revolution by consent in India and after a close examination of the Indian life conditions concludes that the Indian Revolution is indeed unique in the real sense of the term due to its following features:

(1) India to-day is undergoing a unique revolution. It is the world's only revolution to develop through democracy and law. It is so successful that it is almost

unnoticed.

(2) The Indian revolution lacks class warfare; it is a revolution by consent.

(3) The Indian revolution is deliberately and avowedly socialist, but socialist in a rather special way, with the emphasis on equality rather than on State ownership of the means of production, distribution and exchange. It attaches great importance to co-operation.

(4) There is no element of Russian Communism about the Socialism of the Indian revolution.

(5) The Constitution gives the individual citizen the right to equality before the law, a right to property, to religious and cultural freedom, and to the prerogative of writs such as *habeas corpus*.

(6) Democracy is another mark of India's Socialism that distinguishes it from Communism.

(7) The Indian way of peaceful change and development without terror has the lasting advantage of being an indigenous way and not a borrowed foreign one, as was the Chinese revolution.

(8) India's revolution is officially encompassed within its Five Year Plans,

The uniqueness of the Indian revolution in the words of Mrs. Zinkin is: "that is happening in India has no exact parallel with anything in the West, for the revolution is fundamentally Indian, steeped in the great Hindu traditions of tolerance and non-violence - seeing some truth in all



points of view and bringing final ruin to no one. Its keynotes are consent and equality."

Finally, she completes her survey by an explanation of why Communism is unlikely to thrive and succeed on Indian soil.

All this is good reporting. But in her enthusiasm for the new revolution, she seems to have missed its core. No revolution in India can be complete without a re-ordering of her rural economy and life. Bhoodan or Gramdan and the Community Projects, of course, are parts—important parts—in this efforts. But there is something more, something significant, that is gradu-

ally working for fundamental change. The volume would have been more valuable if the author had included the decentralised programme of Khadi and Village Industries which affects social, economic political and spiritual aspirations of millions of Indian people. Perhaps, this is her pet aversion. But objective observers cannot afford the luxury of pet aversions. Still "India Changes". should help in removing many of the doubts entertained by many about the technique and means employed for the many changes that are taking place in India and which are effecting her 36 million people. — B. M. P.

## GANDHI MARG

GANDHI MARG is the quarterly organ of the Gandhi Smarak Nidhi. The First Number in English and Hindi was brought out on January 30, 1957. It is meant to be an Open Forum for Gandhian students all over the world. The first two Numbers contain articles from leading writers like Horace Alexander, Reginald Reynolds, Arthur Morgan, Roy Walker, Wilfred Wellock, H. S. L. Polak, Ethel Mannin, Clare Sheridan, Richard Gregg, Bharatan Kumarappa, Kakasaheb Kalelkar, Pattabhi Sitaramayya, R. R. Diwakar, Rajkumari Amrit Kaur, Maganbhai Desai and others. Rates of subscription are given below :

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## WE ARE THIEVES

"I suggest that we are thieves in a way. If I talk anything that I do not need for my own immediate use, and keep it, I thief it from somebody else. I venture to suggest that it is the fundamental law of Nature, without exception, that Nature produces enough for our wants from day to day, and if only everybody took enough for himself and nothing more, there would be no pauperism in this world, there would be no man dying of starvation in this world. But so long as we have got this inequality, so long we are thieving. I am no socialist and I do not want to dispossess those who have got possessions; but I do say that, personally, those of us who want to see light out of darkness have to follow this rule. I do not want to dispossess anybody. I should then be departing from the rule of *ahimsa*. If somebody else possesses more than I do, let him. But so far as my own life has to be regulated, I do say that I dare not possess anything which I do not want. In India we have got three millions of people having to be satisfied with one meal a day, and that meal consisting of a *chapati* containing no fat in it, and a pinch of salt. You and I have no right to anything that we really have until these three millions are clothed and fed better. You and I, who ought to know better, must adjust our wants, and even undergo voluntary starvation in order that they may be nursed, fed and clothed".

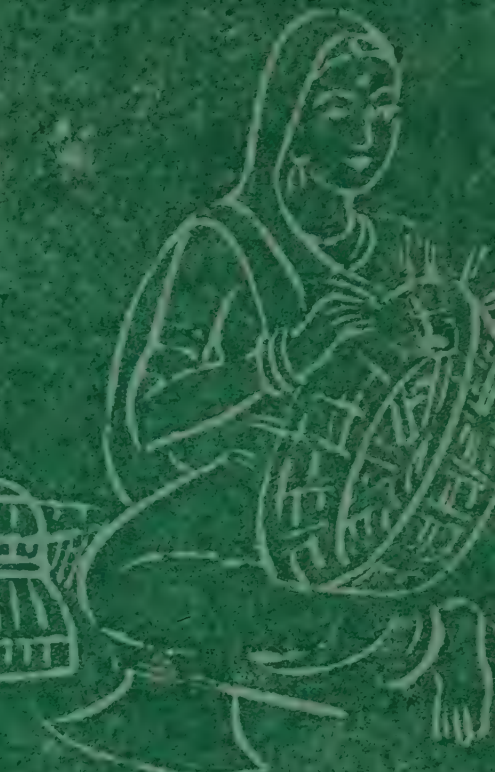
— Gandhiji as quoted in "All Men Are Brothers".

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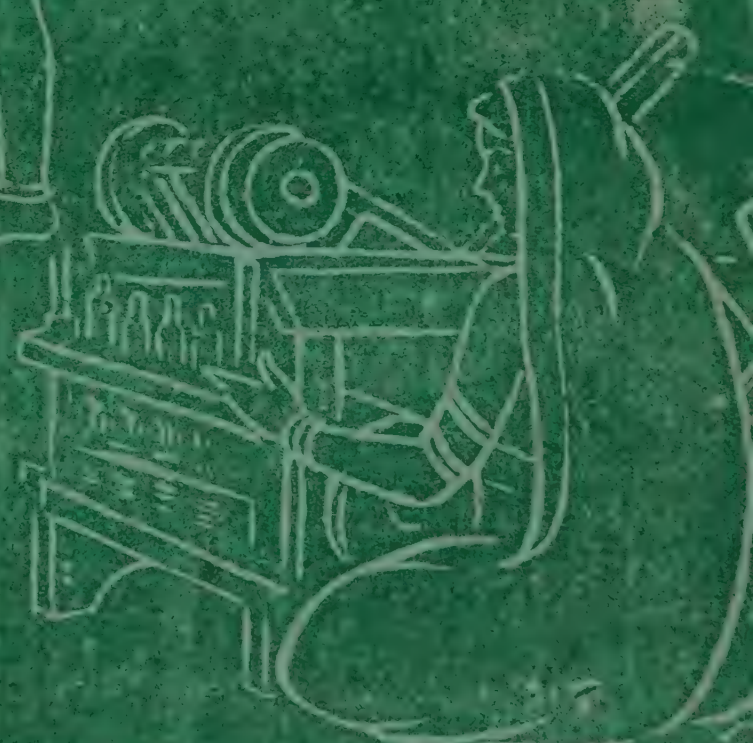
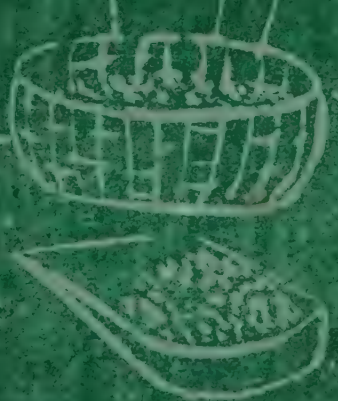
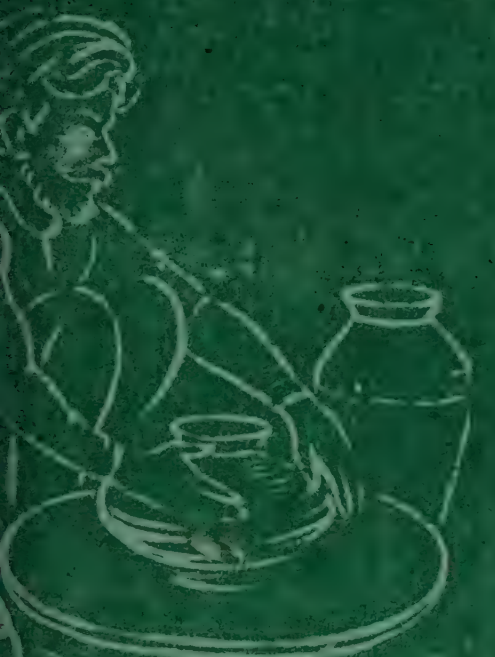




यः दुःखतपमानाम्।  
मम आर्तिनाशनम्॥



# KHADI GRAMODYOG



L. 5

FEBRUARY 1959

KHADI & VILLAGE INDUSTRIES COMMISSION  
MISTRY BHAVAN, DINSHA WACHA ROAD, BOMBAY  
GANDHI NIVAS GRANTHA  
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No



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  - b. to building up a reserve of raw materials and imple-ments and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
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# KHADI — GRAMODYOG

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## WEALTH FROM WASTE

There are a few broad features of our rural economy to which I would like to invite attention. We have a larger number of cattle of all descriptions than any country in the world. The number of cattle is larger than elsewhere, —per head of population as well as per acre of land. The large bulk of these cattle are cows and buffaloes, used for draught and milching purposes. Despite efforts made during the last three or four decades, the quality of the cattle tends to deteriorate, while owing to religious traditions, if not out of humanitarian considerations, the slaughter of cows and buffaloes is viewed with repugnance. Grazing grounds and the fodder supply from cultivated crops prove inadequate for their proper maintenance. Hence, because of the large number of cattle we have, as compared to our requirements for the draught animal, the maintenance of these cattle imposes a great strain on the economy. The gradual decline of the bullock cart as a means of transport, particularly for the movement of agricultural commodi-

ties, will, I am afraid, result in a further worsening of the economics of animal husbandry.

### Cottage Tanning Industry

I mention these facts, because it is against this background that we have to view the place of the cottage leather tanning industry in our economy. Since the cattle are there in large numbers, whether or not we can make the fullest use of them, under-nourished as they tend to get, for draught or milching purposes, and since we do not wish to see them die except in the natural course, let us examine, from the point of view of rural economy as a whole, whether, when the cattle die, we get proper value for what should be one important source of national wealth. Unless we do so, it will not be surprising if our rural economy gets further impoverished.

There is another aspect from which we can view the leather tanning industry. In most parts of the country those engaging themselves in the industry form distinct



occupational groups. Traditionally, the removal of carcasses from fields or homesteads, constitutes one occupation, the tanning of hides and skins another, and the preparation of leather goods a third. In most parts of the country, all the occupations are carried on, by and large, by persons belonging to different scheduled castes. Although untouchability has been banned under the Constitution of India, since the occupations are looked upon as filthy and degrading, both the social and economic status of those engaged in the occupation is low. They constitute the disadvantaged and under-privileged sections of society; and it becomes a primary duty of the State and those interested in national progress that this status rises.

### The Tasks

Towards this end, a programme has to be drawn up under which the various processes can be carried on in clean and sanitary surroundings, washing and bathing facilities are provided, improved tools and processes are introduced, adequate financial resources are made available, a system of joint marketing is developed, and the supply of chemicals and other ingredients is properly organised. All these steps are necessary to secure an improvement in the economic prospects of the industry in the interest of those engaged in it. But even more important is the need to arrange for the fullest utilization of all the constituents of the flayed animals. Most of the valuable constituents go to waste at present. The individuals who engage themselves in the flaying of animals, fail to derive any benefit, because of their ignorance and for lack of the requisite equipment. Ingredients that

can be profitably used are buried underground or allowed to decay and foul the atmosphere, representing national waste which runs into a few crores of rupees every year.

When we examine the potentialities of leather-tanning as a cottage industry it is this aspect of converting waste into wealth that must primarily engage our attention. A bare enumeration of the valuable material that is available from the carcasses of dead animals is enough to indicate the vastness of these unutilized resources: bone meal, bone manure, horn meal, fancy articles of bone and horn, hoof meal, *nealsfoot oil*, guts, bone glue, hide glue, hair meal, hair brush. Some of the products can be obtained in a crude form by individuals. If processing or some chemical treatment is necessary, that should be organised co-operatively for individual villages or for compact groups of villages. Even if the final product has to be turned out on a factory scale, the individuals who do the recovery work will be more than compensated for their labours in case the marketing of these bye-products is properly organized. At the lowest or preliminary stage of this industry, work in which is considered distasteful, it is possible to secure higher returns by exploitation of the various constituents of the flayed animals. Better condition of work can then be brought about.

### Commission's Approach

The next stage in the industry is tanning which is and can be carried on essentially as a cottage industry. It is only for chrome or specialized forms of tanning that medium or large sized units may be of



some advantage. Even then attempts should be made, as are being made in the programmes sponsored by the Khadi and Village Industries Commission, to reorganize and develop the entire tanning industry on a cottage industry basis. The Village and Small Scale Industry (Karve) Committee estimated the total output of this sector of the industry at roughly 20 million pieces of tanned hides and 25 million pieces of tanned skins. More than 90 per cent of village tanned hides are used for the manufacture of the indigeneous type of leather shoes and leather meant for *chairs*. The calculations made by that Committee indicate that the increased demand for hides and skins could be met by the tanning industry with its base in villages still leaving scope for an export trade. But, if the expanding internal requirements for improved varieties of tanned hides are to be met fully and in place of raw hides and skins the country is increasingly to export finished well-tanned hides and skins, the techniques must undergo improvement. We do not desire, however, that the self-employed persons in the industry should, as a result of the introduction of new techniques become wage earners in privately owned establishments. The changes can be brought about by the organisation of these persons in their own industrial or producers' co-operatives. As the Karve Committee had, however, recommended, no expansion in the capacity of the existing proprietary or joint stock large scale tanneries should be permitted.

#### Leather Goods

The third section of the industry is the manufacture of leather goods of various

descriptions principally footwear. That the bulk of the production is carried on a cottage industry basis is evident from the fact that while production of large scale factories was 5.6 million pieces of footwear in 1951-52, that of small factories and cottage units was 83 million pairs. The demand for footwear and other leather goods is on the increase; but these additional requirements, the Karve Committee considered, could be met by improving the efficiency of the cottage industry enabling it to secure the requisite resources and thus providing fuller employment. There is no case for permitting, the Committee was of the view, the expansion of the existing capacity of the large scale units. If this capacity is not being fully utilized, the establishments should be encouraged to take the production of producer leather goods to an increasing extent. As a measure of further protection, some branches of production might also have to be reserved for the cottage industry sector.

The following table compiled on the basis of available census figures gives an idea of the decline, during the last half a century, in the employment provided by the various sections of the industry.

Year	Number in lakhs
1901	11.5
1911	10.7
1921	10.8
1931	9.0
1951	7.0

Of the 7 lakh persons now employed in the industry, less than half a lakh are engaged in the large-scale establishments.



If proper steps are taken to reorganize the cottage industry in all its branches, it should be possible for it to increase in the near future the volume of employment by about half a lakh.

### Three Apples In One Throw

But the reorganization of this cottage industry is called for not merely from the point of view of additional fuller employment important as that objective is. It is necessary also to raise the status of the industry, essential as it is, in the economy of the country. Those engaged in it are artisans of no mean order, but, unfortunately, they are looked upon as untouchables because of the way in which the industry was carried on, without deriving any benefit through technological improvements such as can also bring about a change

in the conditions of work. It is Mahatma Gandhi who first thought of the reorganization of the leather-tanning industry in these terms. Writing nearly a quarter of century back, he adjured workers in the cause of Swadeshi to devote their energies to the development of this industry in the interest of those engaged in it. They would then be felling, to quote his words, three apples with one throw." They will be promoting the cause of Harijans, they will be serving the villagers and they will be providing employment for the middle class intelligentsia in search of employment. Let us view the task before us in this spirit.

(Adapted from the address to the Symposium on the Leather Industry organised by the Central Leather Research Institute, Madras).

-Vaikunth L. Mehta

## THE PROBLEM OF POVERTY

What is the problem that should cause the deepest concern when we survey the present day Indian economy? To many it will appear to be the enforced idleness of multitudes of people, especially in rural areas. At a recent All India Conference, Dr. P. C. Mahalanobis, Director of the Indian Statistical Institute, Calcutta, is reported to have given some figures about the perennial under-employment prevalent in the country. He said that the statistics gathered recently showed that the country had about 20 million people who had hardly an hour's work a day, 27 million people with less than two hours' work and about 45 million people with less than four hours' work a day. Another survey, he proceeded

to observe, showed that 30 million people were engaged in gainful work for five days in a month, 40 million on less than 10 days and about 53 million people on less than 15 days' work a month. Twelve million people were seeking additional jobs and could work four hours a day more. On the top of this we have to provide work for the 18,00,000 to 20,00,000 persons who are added on to the labour force every year, according to the Report on the Second Five Year Plan.

The problem is of stupendous magnitude and its solution calls for almost superhuman efforts. But, unless a remedy is found and is applied with determination and vigour, it is extremely doubtful if we shall succeed in raising the standard of living of



the people and reducing disparities in income and wealth, two of the principal objectives of our national planning. The remedy must be such as fits in with the conditions of our economy which is predominantly rural. We have to take note of the fact that, despite the spread of industrialisation, the number of persons dependent on the land for their livelihood shows no signs of going down. Similarly although towns and cities have grown to the extent of creating slumdom in their midst, the predominant pattern of population is rural. It is the large numbers of people in the countryside, the bulk of whom consider agriculture as their source of living, who swell the ranks of the huge numbers without enough work to do per day or without any occupation in which to engage themselves for the greater part of a month, to whom Dr. Mahalanobis refers.

Our neighbouring country, China, is faced with the same problem. It has a programme of rapid industrialization, particularly, in the spheres of capital goods industries, such as our Plans also provide for. But, in addition, all possible use is made of human labour for production, both agricultural and industrial. Every care is taken, apparently, to see that every ounce of human energy is utilized and that planning leaves no individual outside its scope in useful productive effort. An eminent demographer questions the wisdom of such planning as a tremendous wastage of labour. The choice in a densely populated country is limited particularly if it is poor in capital resources as China and India are. Both have vast manpower resources. The adoption of new

techniques in production offers no solution since it involves large capital outlay and fails to deal with the enforced idleness not of a few, not for a time; but of huge numbers, and almost from year's end to year's end. It is, then, in the national interest to see that more and more get engaged in congenial productive work, turning out commodities that have a mass consumption and can be produced in rural areas with simple tools and techniques. The alternative is that after the expenditure of immense sums and the draining away of scarce foreign exchange, a few will get employment on wages which may be higher, but there will be wastage of valuable manpower, representing a loss not merely in material but in moral terms as well.

Some critics of the programme for the development of Khadi and other village industries question the basis of this form of industrial production as being altogether uneconomic. For obvious reasons, consumer's goods can ordinarily be produced at lower costs with the aid of power-driven machinery than by hand. But where the introduction or extended use of such power-driven machinery displaces from employment number of workers by hand or restricts the scope for the provision of additional employment, it is necessary for those in charge of national planning to pause and to decide whether extension of such industrialization should be encouraged in view of the picture of continuous under-employment among growing numbers, especially of the rural population resulting in deterioration of standards of life and in the growth of



slums in the vicinity of towns and cities.

The position might be viewed differently had unemployment been frictional or under-employment not of an order that made the large numbers in the category of non-earning and earning dependents a burden on the earners, and we had a plan of social security providing for the relief of the unemployed. In India we have practically no programme of social security except for industrial workers and those engaged in mines, on railways and other large-sized establishments. Inevitably, the conditions of indigence get accentuated. Notwithstanding a rise in the aggregate national income, the numbers of those on the lowest levels of incomes increases and their incomes fetch them less than their bare needs of sustenance.

It is this logic of events of which the critics of the cottage industries sector of our plan fail to take account. Although the Planning Commission in their report on the First Five Year Plan, took the view that, after examination of the position of each

industry like cloth or vegetable oil, curbs might, as a matter of State policy, be imposed on the expansion of the capacity of the large scale industry concerned, the restrictions that operate at present have not led to any rise in prices or created conditions of scarcity for the commodities concerned. If there are slightly higher prices to be paid for the commodities produced on a cottage industry basis, the consumer lends his support to the programme. If the State levies on a differential scale of excise duties for the products of large scale industries, these represent a fiscal measure called for in the interest of national economy as a whole. If the national exchequer is called upon to find funds for the development of this sector of our economy, for such expenditure there is as much justification as for measures of social security. Financing these becomes the imperative duty of a progressive government conscious of the welfare of the under-privileged and disadvantaged sections of the community.

— V. L. M.

## UNEMPLOYMENT AND THIRD PLAN

There are still two years ahead of us before we embark upon our Third Five Year Plan. But it is not too early for us to think in terms of the nature, the content and the size of that Plan, assuming that the objectives remain broadly the same as were defined in the Second Five Year Plan. It was in 1954 that the All India Khadi and Village Industries Board published its thesis on the Plan, entitled "Building From Below". A little later, Prof. P. C. Mahala-

nobis who was associated with the deliberations that led to the formulation of the Second Plan, published the draft framework of that Plan in which he propounded certain basic concepts that subsequently came to be accepted by the Planning Commission.

It is interesting to find that after this lapse of time, the broad approach of Prof. Mahalanobis to national planning remains the same as it was when the draft frame-work



was published in 1955. This is evident from a perusal of the reprints of two recent addresses delivered by him on "Science and National Planning" (September, 1958) and "Next Steps in Planning" (January, 1959). While laying emphasis on the establishment and expansion of basic industries, in the industrialisation that he pleads for in the period of the next five year plan there is no place for the expansion of large scale consumer goods industries. The increased demand for clothing and other consumer goods, Prof. Mahalanobis urges, has to be met by "setting idle hands to work on the traditional way or in small scale industries to produce consumer goods and other necessities as much as possible". This is a line of development especially to be favoured, since according to him, "it would also create much employment in the country". Besides, we must not, he adds, "waste our meagre resources on the manufacture of goods which can be produced by putting idle hands to work".

There is another proposition that Prof. Mahalanobis enunciates which is very significant. In the matter of planning for the development of basic industries, decisions can be implemented by a small group of persons at the top, particularly since such industries lie within the public sector. The position, however, is entirely different, Prof. Mahalanobis points out, when planning is in the field of agriculture or in small scale and hand production. Here we have to deal with millions of households scattered over a very big country. Even though the broad lines of policy may be determined by Government, implementation depends "on

securing the willing co-operation or at least the concurrence of millions of people in the villages." The task of organisation is thus "far more difficult for these industries than for large-scale industries. "The response will come with the growth of an institutional frame-work, with the spread of education and, above all, to quote Prof. Mahalanobis, "by carrying conviction to the masses that Government is doing its best for national development". Building from below is, thus, just not a slogan.

The conclusions at which Prof. Mahalanobis arrives are based on data recently compiled by the National Sample Survey, which bring out strikingly the two great problems of India, "poverty and unemployment". These, Prof. Mahalanobis reminds us, "are but two aspects of economic stagnation and under-development". The collected data disclose that half of our countrymen, nearly 200 million in number, live on Rs. 14.6 per month or less than half a Rupee per day per person and that only about 10 or 11 per cent of the population of India can afford to spend more than a Rupee per day.

Much of the misapprehension that exists in the mind not merely of the general public but also of those in authority is likely to be removed by Prof. Mahalanobis's assertion that the technical concept of unemployment can be strictly used only in relation to the 13 million who work under Government or public authorities or in private organised large scale enterprises. It is not applicable to the rest of the total labour force of 160 million, namely, the remaining 147



million who work in household or small-scale industries. An inquiry conducted by the National Sample Survey brought out the fact that 45 million persons are engaged in gainful work only for four hours a day, 27 million work for two hours or less a day and 20 million work one hour or less per day. A similar position is disclosed when we find that 30 million persons have gainful work for less than 5 days in the month, 39 million for less than 10 days and 53 million for less than 15 days in the month.

It would hence be difficult, Prof. Mahalanobis believes, to give a precise figure for unemployment or under-employment in India. But the statistical data indicate that there is already about 10 per cent of unemployment among the educated classes who are reckoned at roughly 50 million,

and that the proportion of this is likely to increase in future with the growth of education. Taking the population as a whole Prof. Mahalanobis finds that 10 to 12 million persons are either unemployed in the technical sense or are grossly underemployed. If consideration is extended, he adds, to those "sitting idle for more than half or two thirds of their working time", the number would probably rise to 25 to 30 million. If, according to Prof. Mahalanobis the prevalence of unemployment of the order of 5 lakhs persons among the educated classes, has grave social and political implications, it is not difficult to imagine the much acuter crisis that lies behind unemployment fifty to sixty times that size.

- V. L. M.



# MUSINGS OF THE MONTH

( By THE EDITOR )

Shri Diwan Chandra Wadhwa, Indore, writes :

"Some months back I purchased a pair of Gramodyogi chappals made out of Ahimsak leather from the Gramodyog Bhandar, Indore. After some months, when the worn straps of the chappals gave way, I realised to my great amazement that they contained a thin lining of rexin, a mill-made artificial leather. I brought this to the notice of the Secretary, Madhya Bharat Khadi Sangh, who admitted the presence of rexin in the chappals and asked that they be returned to the Gramodyog Bhandar. He further wrote to say that since the manufacturers of the chappals were certified by the Khadi Gramodyog Commission, Lucknow, the entire blame lies with them.

When I brought the presence of rexin in the chappals to the notice of the Manager, Gramodyog Bhandar, Indore, he told me that the rexin used in their chappals was pure Gramodyogi. But later on he very wisely wrote in reply to a letter of mine that just as we tolerate a mill made thread in sewing, similarly we should tolerate it here also. He wrote : "The way Gramodyogs are being mass produced, there is no guarantee of full implementation of pledges."

A letter of enquiry was written to Gramodyog Mandir, Rajkot (Saurashtra), where the chappals had been made. The Chief Manager Gramodyog Mandir, Rajkot, wrote to the Manager; Gramodyog Bhandar, Indore: "This is not the first time that we are using rexin in the chappals. Right from the beginning it is being used here. Moreover, you are aware of the fact that we are not using only non-violent hides."

This means that Gramodyog Bhandar at Indore was not telling the truth when it claimed that the products were purely Ahimsak in origin and products of Gramodyog.

I also learn from most reliable and knowledgeable quarters that this adulteration is not confined to the chappals alone, but extends to other products as well. Sarvodaya Soap Factory at Rao (Indore), has used hundreds of seers of animal fats in the manufacture of its soaps. Paradoxically enough, the above factory has been claiming their soaps to be produced from non-edible oils of purely vegetable origin".

The two instances on which Shri Wadhwa has based his complaint of adulteration need explanation. The first is



regarding Ahimsak Chappals.

### **Ahimsak Chappals**

The idea of Ahimsak Chappals arose out of the Go-Seva aspects of animal husbandry and protection and preservation of cattle in the countryside. When these cattle died, much of their component parts went waste and even the recovery of their hides and skins was done in a crude way. These hides went by the name "Murdar" and were treated as inferior stuff. The price paid for them was very low. Those engaged in the lifting of the dead animals and in flaying were considered to be social out-castes. Gandhiji and the All India Village Industries Association laid particular emphasis on the recovery of hides and skins from the fallen stock in a more organised and scientific manner and utilisation of these hides and skins for the manufacture of utility articles like chappals, so that better prices could be obtained and thus help develop the village industry and raise the status and standard of living of those engaged in it. With this view Gandhiji called upon social workers irrespective of considerations of caste and community to encourage this work, take training in it and practise it. Thus an ethical concept involving social and human values was injected into the carcass recovery work. Chappals wholly made out of the leather obtained from the hides of fallen animals were called Ahimsak Chappals and were marketed through certified Khadi Bhandars.

### **Modification**

With experience, it was found that chappals made out of hides of fallen animals

alone did not attract a large clientele and, therefore, their manufacture was not a good commercial proposition. Though people were willing to pay a higher price for them because of their humanitarian appeal, customers also wanted that they should be made attractive and the straps and linings softer. With techniques and processes then in use, it was not possible to satisfy these consumer tastes with "Murdar" hides. This could, however, be done by the use of the softer goat and sheep skins or other similar substitutes. The question was whether the humanitarian aspect should be compromised to meet commercial needs, though the latter helped to achieve the social and economic objects of utilisation of hides of fallen stock. The problem was discussed with Gandhiji who went into all aspects of the question. He appreciated the position and permitted the use of goat and sheep skins though these skins might have been obtained out of slaughtered goats and sheep. Since then these softer skins have been used for lining and pipings in our chappals. Later, when rexin made in India became available, it also began to be used for pipings on straps. This was done with a view to giving the chappals an attractive appearance and to reducing the use of goat and sheep skins. It may be emphasised here that the use of these materials was resorted to enhance the commercial value and prestige of "Murdar" leathers, and thus assist those engaged in the flaying and tanning of the hides of dead animals to get better returns which helped them to attain a better economic and social status. Rexin is not a Gramodyog product,



but it was used sometimes to an extent that represented not more than 8 per cent of the cost of production. Chappals so made were also considered Ahimsak Chappals. In a matter like this the sole consideration was that leather of fallen animals constituted the maximum component in the making of the chappals. This is so in the chappals sold in Khadi Bhandars and other recognised sales depots.

Whether such chappals strictly conformed to the connotation of Ahimsak chappals and whether they should be sold as such in recognised Khadi Bhandars and sales depots, are the questions which Shri Wadhwa has raised. It is obvious that they do not strictly conform to the connotation. Hence it is imperative that chappals which are not made wholly out of the leather obtained from fallen stock, should not be sold as Ahimsak Chappals. It is now possible, with the use of improved techniques and tools, to produce chappals which are hundred per cent Ahimsak. These are now made in Kora Gramodyog Kendra and sold in the Khadi Bhavan and Bhandars in Bombay. No Bhandars should supply chappals guaranteed as Ahimsak chappals if they are not made solely out of the leather of fallen animals. Ahimsak chappals should conform to their description and should be stocked separately.

Shri Wadhwa's inference that the chappals sold to him were certified as Ahimsak by the Commission is, however, not correct. At present, the Commission's Certification Committee deals with only Khadi and Khadi institutions and Bhandars. It has been trying to evolve a scheme for the certification of village products other than

Khadi. For various reasons no acceptable formula on which certification could be done, has been evolved. No arrangements are, therefore, in operation at present in this direction. In the early days when the All India Village Industries Association started work, a scheme of certification of village industries products was devised; but, after experience, this had to be practically abandoned.

### Leather Industry

The programmes for the development of the village leather industry are not confined to the utilisation of the hides and skins of fallen animals only. These programmes are primarily concerned with the lifting up of the industry from the malaise in which it finds itself because of the social stigma attached to the operators in the leather industry and also because of the substandard qualities of their production. This is mainly due to their ignorance of modern techniques in gathering and processing the hides and skins and lack of training in the improved methods of production. The village leather industry schemes of the Khadi and Village Industries Commission are directed towards carcass recovery of which training in flaying is an important part and in introducing improvements in tanning methods and the use of tannins.

Scientific flaying ensures the recovery of hides and skins in as perfect a condition as possible, while the improved methods of tanning and use of tannins ensure production of better finished leather for manufacture of leather goods, including footwear. The importance of these schemes will be evident when it is recognised that even



today nearly 83 per cent of the total leather produced in the country are processed in the villages by village artisans. The village leather industry schemes of the Commission are, primarily directed towards a more efficient use of the leather resources of the country on the one side, and a better recovery and use of component parts of the dead animals with profit to the nation, on the other. Its emphasis on the efficient collection of the hides and skins of fallen stock and the maximum and most efficient use of the leather obtained from them does not preclude from its purview assistance to village leather artisans handling hides and skins of slaughtered stock. The basic object of the programme is the raising the status, social and economic of the men engaged in the industry and to give dignity to their profession. The Commission, therefore, offers assistance for carcass recovery work, improved tanning methods and marketing of village leather goods, including footwear, made out of Ahimsak or "Murdar" leathers as well as other leathers. The agency of Khadi bhandars and other recognised sales depots are used in order to assure customers that articles sold are genuine village industries products. So far as footwear is concerned three types are sold. These are :

1. Hundred per cent Ahimsak Chappals.
2. Chappals in which goat and sheep skin and / or rexin is used for linings and pipings.
3. Chappals made out of leather of slaughtered animals, but processed and made into finished articles by village artisans.

Those in charge of Khadi Bhandars and

recognised sales depots are expected to explain to their customers the character of each type so as to avoid any misunderstanding or misconception.

### Non-Edible Oil Soap

Now with regard to the other instance of non-edible oil soap: Shri Wadhwa says that soap claimed to have been manufactured from non-edible oils and guaranteed as such was found to contain animal fat. He says: "The Sarvodaya Soap Factory at Raipur (Indore) has used hundreds of seers of animal fats in the manufacture of its soaps. Paradoxically enough, the above factory has been claiming their soaps to be produced from non-edible oils of purely vegetable origin."

If this statement is true, the practice of the factory concerned is deplorable. No animal fats are used in the preparation of soap from non-edible oils of purely vegetable origin. Till such time as substitutes for certain edible oils, such as cocoanut oil, which go into the manufacture of soap are found in adequate quantities, the use of cocoanut oil or similar edible oil, is permitted within limited proportions. This soap is sold as non-edible oil soap.

It does not, however, mean that no soaps are made out of animal fats. Under the carcass recovery scheme of the Commission considerable quantities of animal tallow are obtained. Where arrangements exist, this tallow is used in the manufacture of soaps. Such soaps are manufactured in Kora Kendra, Bombay, and there is good demand for it. But the two soaps cannot be mixed up and called non-edible oil soaps made out of non-edible oils of purely



vegetable origin. Where the two types of soaps are sold, it is imperative that the distinction between the two should be maintained and explained to the customers. These should not be sold under false labels.

In bringing his complaints to public notice, Shri Wadhwa has rendered a distinct service to the cause of village industries. It is a reminder to us about the need for utmost vigilance in the marketing of village industries products.

Having said this, it is necessary to state the broad principles which inform the schemes of the Khadi and Village Industries Commission for the development of village industries.

As everyone knows, the question of revival of village industries came up with the organisation, under the inspiration and guidance of Mahatma Gandhi, of the All India Village Industries Association. The principle behind this revival was and continues to be the restoration to the village economy its old balancing factors and to the village producers opportunities of survival and progress. With the coming of the large-scale mechanised production units, these village and cottage industries suffered a mortal blow and those engaged in it were thrown out of their vocation and trade.

The results of these are written in the poignant tears of the teeming millions who live in misery and want. The rural economy which was more or less self-contained and self-propelled, went in disorder. Impoverishment became the lot of the people.

The nation is to-day paying the price of this impoverishment in the increasing numbers who live in enforced idleness in the villages. Large-scale industries which have displaced the village industries, have not succeeded in opening out new and diversified employment opportunities to those displaced myriads of village producers and artisans. Gandhiji proclaimed that unless the village industries which formed so essential a part of the life and economy of the rural population were revived and nurtured, the problem of poverty will continue to plague the economy and act as a dead weight against all chances of progress and prosperity. This in essence is the basic principle or concept which governs the movement for the revival, reorganisation and development of village industries.

What, however, is essential to remember when we discuss village industries is what their contribution can be towards the growth of the individual and towards the development of the economy, in the first instance, of rural India and consequently of the nation.



# MEANINGLESS CONTROVERSY

Recently a controversy has been raised on what is called the "Abdullah Charkha". Questions have been asked in Parliament and the Khadi and Village Industries Commission has been accused of indifference in extending financial assistance to Shri Abdullah Meerathi to carry on research and complete the model of the "Abdullah Charkha". Since the controversy seems to persist, it is necessary to bring all the facts to public focus. The controversy started with a report by Shri Rajinder Singh Shah in "Yojana" (16-11-58) which is published by the Publications Division of the Ministry of Information and Broadcasting, Government of India. The report said :

"My Charkha can produce three times more yarn than the Ambar Charkha, costs less than one third to make, lasts 8 to 10 years more and can spin all types of cotton produced in India". This claim was made by Abdullah Meerathi of Kucha Nahar Khan, Delhi.

Abdullah Meerathi was a mechanic working for a firm dealing with water-lifting pumps. He developed an interest in the Ambar Charkha about two years ago. He experimented on his own, with the little money he could spare and once he can smooth out a few defects, his "Abdullah Charkha" will most certainly be better, cheaper, more durable and efficient than the Ambar.

It will enable a person to earn Rs. 3 per day against the 12 annas expected from Ambar Charkhas.

Many people and many institutions have heard of Abdullah's work, but no one has yet been able to help him complete it. Shri J.V. Joshi, a technical expert of All-India Village and Khadi Industries Commission found the work so commendable that Abdullah was invited to Bombay and Ahmedabad to get acquainted with the work being done there. Dr. Bagarey, Technical Adviser to the same Commission, has also shown deep appreciation of the machine. In spite of all this, nothing substantial has been done for Abdullah. The explanation for it, in words of Shri Krishnan Nair, M.P., is "red tapism".

Abdullah needs a few months more to perfect his invention before it can be put in the market on commercial scale. The alternative to State help is patronage from private quarters. But such parties believe in hogging all the profits for themselves, so Abdullah has made no deal so far".

On 4th December, 1958, Shri Ratubhai Adani, Minister for Cottage Industries, Bombay, drew the attention of Shri Krishnadas Gandhi who is in charge of research activities on Ambar Charkha and works in close collaboration with ATIRA. Shri Krishnadas



Gandhi wrote to Shri Adani on 12-12-58 as follows:

"Last year Shri Abdullah had come to Sabarmati. He had brought with him a photograph of his Charkha. He explained to me all about his model. Thereafter, in March 1958, we had invited him to attend the Saranjam Conference at Meerut. He came. He had brought his Charkha at the time, but did not demonstrate its working. We tried to examine and understand the special features of his Charkha. It appeared to us that his claims about the capacity of his Charkha were exaggerated.

Still, I said that all assistance would be given to him to complete his Charkha in Sabarmati if he could go there. Shri Gandhi Ashram, Meerut, also offered the use of their Saranjam Karyalaya and other assistance; but Shri Abdullah wanted that assistance should be made available to him at his home. We thought that his Charkha was not such as would justify such assistance.

His claim was that his Charkha could produce four times more yarn than on the Ambar Charkha. This does not seem possible at all. His claim is perhaps, based on his conception that, along with spinning on four spindles, rovings would also be simultaneously made. I had shown him in Sabarmati the Samyukta Charkha in which two spindles were used for roving while three spindles simultaneously spun yarn. After examining his Charkha it did not seem to me that its productivity could be more. Still if he desires to carry

out experiments we are prepared to assist him. The frame of his charkha is made of iron. Hence he seems to believe that it would be more durable. We have our own doubts about it."

Following the publication of the report in *Yojana*, we had sent a reply to the various points raised in that report. In publishing this report the *Yojana* omitted the last two paragraphs except the last sentence in the last paragraph. Our reply said :

"I was astonished to find a report from Shri Rajinder Sing Shah published in "Yojana" dated 16th November, 1958. Your heading, "Abdullah Charkha-Better, Cheaper, more Durbable", is still more astonishing. What is this Abdullah Charkha? Is any such Charkha in existence. Where can one have a look at it? Ever since I saw the report, I have been making enquiries. In my search I met Shri Abdullah Meerathi the alleged inventor of the "Abdullah Charkha" himself. I am obliged to Shri Krishnan Nair, M. P. for this meeting. To my questions Shri Abdullah could not give any satisfactory answers. The fact is that there is no "Abdullah Charkha" at all. All that can be said about it is that Shri Meerathi has been trying to build a model of a Charkha of his imagination. This information he gave me himself.

But your correspondent says :

"Shri Abdullah Meerathi had developed interest in the Ambar Charkha about two years ago. He experimented on his



own with the little money he could spare and once he can smooth out a few defects, his "Abdullah Charkha" must certainly be better, cheaper, more durable and efficient than the Ambar. It will enable a person to earn Rs. 3 per day against 12 annas expected from Ambar Charkha. Many people and many institutions have heard of 'Abdullah's work, but no one has yet been able to help him complete it'.

This is a wild statement to make. It is not true to say that "no one has yet been able to help him complete it." The fact of the matter is : Shri J. V. Joshi, Technical Adviser to the Khadi and Village Industries Commission, during a visit to Delhi, happened to meet Shri Abdullah and he was told about the "Abdullah Charkha". Shri Joshi advised Shri Abdullah to go over to Bombay and place his cards before the representatives of the Commission. Shri Abdullah came to Bombay. He was advised to go to Sabarmati Ashram where research on Ambar Charkha is carried on. He was introduced to Shri Krishnadas Gandhi there. Shri Krishnadas Gandhi listened to him and advised Shri Abdullah to stay on in Sabarmati for about a month during which he could have all facilities to work on his model. Shri Abdullah was not inclined to accept this offer. He desired that he should be given facilities to work in Delhi.

Shri Abdullah subsequently met Shri D. V. Lele, Member of the Khadi and Village Industries Commission. Shri Lele told him that the Khadi Commis-

sion would extend to him all possible assistance through the Narela Khadi Gramodyog Sahakari Samiti Ltd. which had shown interest in him. That was the last we know anything about the "Abdullah Charkha". During my recent visit to Delhi I met Shri Krishnan Nair who told me that Shri Abdullah was being given Rs. 150 per month for over a period of 7 or 8 months to enable him complete his model. At this meeting Shri Abdullah was also present. In spite of this assistance little work has been done by Shri Abdullah to complete his model. Neither of them could tell me why the offer of assistance made on behalf of the Khadi Commission was not availed of.

It is pertinent to put here that the Commission had advertised widely in the country the award of Rs. 1,00,000 for the inventor of an improved Charkha which could be operated by hand or by foot and whose productivity would be higher than that of the Ambar Charkha. Shri Abdullah told me that he had seen the Advertisement. As a result of this advertisement nearly 140 entries were received. Some 40 competitors submitted working models along with their drawings. Shri Abdullah's name was not among the competitors. Why? This is a matter into which your correspondent can profitably inquire. Besides this Rs. 1,00,000 prize scheme, the Commission has other comprehensive schemes for the promotion of research and experiments for the improvement of the present appliances and processes or for the evolution of



new ones. The object of this, as of other schemes, is to make their work attractive to handspinners. The assistance scheme is comprehensive and comes under seven different heads, namely: (1) Seed Cotton, (2) Ginning, (3) Carding, (4) Spinning, (5) Ambar Charkha, (6) Dhunai Modhia, and (7) Weaving. All recognised institutions are aware of this scheme and the assistance available under it. If Shri Abdullah Meerathi is at all serious about what he talks, he could have availed of the assistance under this scheme, completed his model and established his claim that the Charkha of his imagination is superior to the Ambar Charkha and would ensure a daily wage of Rs. 3 for an individual handspinner.

Against these facts, the report in "Yojana," does unfortunately lend itself to be tendentious and its writer exposes himself to the charge of having indulged in *suppressio veri* and *suggestio falsi*. What the Khadi Commission is eager about is to obtain as quickly as possible a better and more efficient Charkha which would minimise physical exertion, feeling of drudgery among spinners and enable them to earn a living wage through its operation. The search for such a Charkha continues. The efforts in this direction are an open book. There is no "red tape" here. Shri Abdullah Meerathi is aware of all this. He is welcome to join the search and he knows it. What prevents him from taking advantage of the generous offer made to him is known to him alone. To accuse the Khadi Commission

of negligence or indifference is, therefore, unfair and unwarranted".

Shri Rajinder Singh Shah responded to the above reply with the following note which was published in Yojana of January 11, 1959 :

"In reply to Shri Narayanswami's letter I want to submit, in the very beginning, that I do not wish to create any controversy but only seek his co-operation to further the cause of Ambar Charkha and Shri Abdullah Meerathi. Personally I am open to any correction wherever necessary.

Shri Narayanswami has raised many points. These will be clarified, I hope, if he goes through the following facts. The very fact that Shri J. V. Joshi asked Shri Abdullah to proceed to Ahmedabad and Shri Krishnadas Gandhi offered him certain facilities of work at Sabarmati Ashram shows Abdullah's work is genuine and worthy.

Mr. Lele, Secretary, Khadi Commission and Shri C. K. Nair, M. P. have also shown deep appreciation. All these four persons certainly know something about Ambar Charkha.

Shri Abdullah was unable to stay at Ahmedabad and the reasons given by him were appreciated by Shri Krishnadas Gandhi who in a letter to Shri Lele, on 2-2-58 writes : "Shri Abdullah is doing work in the right directions though his work at Ahmedabad would have been better, yet efforts should be made to help him at Delhi (Translation mine).

So far, Abdullah, has never been given



any help to work in Delhi. Shri C. K. Nair, M. P., says that to all his letters in Abdullah's behalf, he has been receiving replies to the effect that the matter is being looked into. The sum which Narayanswami mentions is personal loan to Abdullah from Narela Sahakari Samiti and not any grant in any other form of assistance by Khadi Commission. Abdullah could not go on mounting up the loans. Therefore, he stopped them. Also the sum was too meagre to finance the project through. Moreover, he has been pressed to return the loan. Shri Abdullah did not enter into the competition, firstly because work had not been completed to his satisfaction and secondly because he was too poor to spend money to have drawings etc. made of his Charkha. However, he has been sending photos to Khadi Commission and other institutions.

It appears Shri Narayanswami has not cared to see into the correspondence file of Abdullah with Khadi Commission. It was not long ago that Khadi Commission last heard of him. The latest letters from Khadi Commission to Abdullah were sent in September-November of this year.

Abdullah is willing to show 'Abdullah Charkha' to any one and demonstrate its promising characteristics, in spite of all its incomplete processes. His quantitative claims cannot be established till the invention has been perfected. Yet, knowledgeable persons who have seen the lines on which he has been working do dare to believe that it will be better than Ambar Charkha.

Shri Abdullah, others and I will be very grateful to Mr. Narayanswami if he is kind enough to lend a hand to see this invention through. I assure him that in reporting about Abdullah's work, no ulterior motives have been at work. The good of the country, Khadi and Abdullah was before me." Shri Shah quotes Shri Krishnadas Gandhi as saying :

"Shri Abdullah is doing work in the right directions. Though his work at Ahmedabad would have been better yet effort should be made to help him at Delhi."

Shri Gandhi's letter to Shri Ratubhai Adani which has been quoted above, does not support this view. The present writer also recently discussed this question of the 'Abdullah Charkha' with Shri Gandhi. What he said conforms to the view expressed by him in his letter to Shri Adani. There is no need to enter into any discussion of the views expressed by Shri Shah in his rejoinder because they are wholly based on assumptions. The mere fact that Shri J.V. Joshi had asked Shri Abdullah to go to Ahmedabad and that Shri Krishnadas Gandhi had offered him certain facilities of work at Sabarmati Ashram does not in any way substantiate his conclusion. On the contrary, it only shows how eager the Khadi Commission is to extend every opportunity and facility to any one who is interested in research to improve upon the Ambar Charkha. Indeed a sum of Rs. 2,000 has been sanctioned and will be available to the Narela Sahakari Samiti to assist Shri Abdullah to complete his model.



# IS OUR APPROACH RIGHT?

(About 130 Ambar Saranjam Inspectors and Ambar Parishramalaya Inspectors met in a Conference in Saroornagar Ambar Vidyalaya, Hyderabad, from January 15 to 22, to consider the question of effecting co-ordination in work. The following is the speech delivered by Shri Annasaheb Sahasrabuddhe at the Sammelan).

I want to place before you thoughts which have been agitating my mind about Khadi work in general and the Ambar Charkha programme in particular. They may be outside your agenda and a reference might not have been made to them during the course of your discussions.

The All India Khadi and Village Industries Board and now the Khadi and Village Industries Commission have been at work for the last six years. During this period, Khadi production has shot up from Rs. one crore to Rs. 15 crores per year. On the face of it, one may say that Khadi work has made sufficient progress. But I would like to point out, frankly, that our progress has been negligible compared to the total cloth production in the country. While the total output of cloth is 7,000 to 8,000 million yards, Khadi production is worth Rs. 15 crores. Indeed, the production on the handloom is 10 times that of Khadi and the mills produce four times the production of the handloom sector. It will not therefore, be proper for us to be content with what has been done.

## Ambar And The Plan

Let us look at the national planning. Is

there any scheme for avoiding conflict between the different sectors of the national textile industry? Has each sector been clearly carved out? This is a very important subject. You have passed a resolution demanding that Ambar workers should be given security of employment and that institutions should treat them with respect. But my demand is much bigger. I want that Ambar Charkha should be given a definite place in the national economic planning and get the honour that is its due. This is highly necessary and is fraught with much significance because there ought not to be any uncertainty about the place of Khadi now or at any time in the future. This aspect is more important than that of augmenting Khadi production or of reaching certain targets. In the absence of such a guarantee, all progress would be short-lived and superficial.

Today, the ship of the nation has been set to the star of industrialisation. It is true that small industries and Khadi have been given a limited support by the Planning Commission, but it is also true that this Commission does not think in terms of a permanent place for these sectors on the national economic landscape. In the final



analysis, all these small industries will have no place. This may not happen at the end of the present Plan, but will surely happen at the end of two or three quinquennial Plans. That is to say, the time at our disposal is limited and short. Let us be in a hurry and make a determined effort by throwing our full weight for securing the future of Khadi. If we prove unequal to the task and accept defeat, however spectacular might be our progress during the transitional period, the verdict of history will be that Khadi movement was a temporary phase in the life of the nation.

### **The Handlooms**

Let us see what steps are taken for guaranteeing a permanent place for the Ambar Charkha. My view is that the Ambar Charkha and the handloom ought to be inextricably linked up with each other. Ambar yarn must be such as would be acceptable to the handloom weavers. Thus, when the spinners and handloom weavers will pose a strong united front, together they will be able to pit their might against the mills or even the government. The Ambar can advance only in co-operation with the handloom. Indeed, the future of the Khadi industry itself is dependent on the handloom. During the coming few years, this strong link has to be forged. Let us build a strong organisation of spinners and weavers in the villages. Let us rouse them towards their welfare. Our aim should be to encourage them to work for their advancement and security.

### **Take It To The Needy**

Another aspect to which I would like

to draw your attention is that today the Ambar Charkha has gained popularity principally among the members of the lower middle class. It may be right in the preliminary stages to encourage a new industry in the field of least resistance with a view to stabilizing it. But we should not keep the Ambar Charkha confined to the urban areas or the towns. Let us think seriously why the new spinning device has not become popular in the villages and hamlets.

It is found that villagers are not skilled workers. Except for a few communities, there is absence of any tradition of skilled work. Be that as it may, it is not right that the Charkha is not able to enrich the personality of these classes—emaciated and unskilled as they are. In fact, our foremost duty is towards such groups and people. Theirs must be the first claim on our attention and our service. It is precisely these classes who are facing starvation and unemployment and have lost hopes of happiness and advancement. May be, these people are lazy and are not accustomed to work. But then is it not our duty to make them shed these drawbacks?

Let us understand, and understand well that if we continue to help the people in the bigger towns and cities, we would be helping to widen the cleavage between the people in the cities and those in the countryside.

In this area where we have now met there are Adivasis whose condition is very bad. Among them are thousands and lakhs of families whose annual income may be hardly Rs. 300. Gandhiji wanted and strived to raise the status of these lowliest classes.



By plying the Ambar Charkha, they must be able to double their income.

### **Technical Aspect**

I would also like to say a word about the technical aspect. My view is that our appliance, its technique and the programme for its propagation must be such that the instrument would become popular without much difficulty. Let it be possible for the people to learn work on the Ambar with facility, say by mere inspection or by watching a demonstration of its operation. Let not learning the technique be a laborious process for which elaborate arrangements become necessary. And let it spread easily, spread because of people's conviction about its capacity and potentiality. Let us take the example of the bicycle. In the past, learning cycling was an elaborate process. Today, people learn it with ease. Moreover, bicycle spare parts are also available everywhere and services for its repairing, etc., are also available universally. Working on a sewing machine has also become more or less similarly easy and universal.

Ambar must become universal like these machines. It must spread from home to home as a natural process. Once Ambar Charkhas are installed in a few homes in a village, their spread must be natural. Other spinners should learn the technique from the members of the families who have got the Ambar Charkha. The example of these pioneers in the village should prove infectious. Can we have such conditions in reality, and when? That is the question. If we achieve this, there will remain no need for inspec-

tors and supervisors, etc. The large-scale organisation of managerial class will be rendered superfluous and irrelevant.

### **The Ambar Worker**

In other words, the crux of the success of a worker lies in bringing about a state where his presence becomes redundant. Today, there are some 4,000 to 5,000 workers and officers working under the Ambar Charkha Programme. White-collared personnel are engaged in purchasing and distributing cotton, yarn and cloth. I am sorry to say that you are repeating the blunder of which we were guilty while running the work of the Charkha Sangh. Our institution was named "Spinners' Association", but in reality it became an "Association of Workers" and not of artisans! Then, we did not march in the direction of developing decentralised arrangements, nor are we doing so to-day. Efforts are not afoot to hand over management to organisations of spinners and weavers and to do away with managers from outside. We are also not making efforts to develop a class of workers from the ranks of the artisans themselves. It is our bounden duty to raise the standard of the artisans, train them in the real sense of the word and introduce schemes which will see the birth of organisations of artisans engaged in Khadi industry, who will run the whole show.

### **Organisation**

The importance of organisation in the present age is well-known. We have the example of workers in the organised sectors fighting for their rights through



demonstrations, strikes, etc. The same consciousness has to be roused among the spinners and weavers. They are not aware of their inherent strength, and are not alive to their welfare. Khadi will gain its honour and prestige if we train these artisans and encourage them to set up their own organisations.

We have also to bear in mind that the standard of living of our workers must be such as would develop a feeling of affinity between the worker and the local population. What we find today is that there is a big gap between the standard of living of our worker and the average villager. Our

workers are not also able to mix with the local population. How can we then expect the workers to inspire confidence in the people? Our workers also lack in practical ability (*Kriyatmak Yogyata*). Our workers will have to adopt simple living and develop practical ability. This alone will boost up our prestige. The village artisans will then flock to us and follow us. Our experience in the backward tracts of Koraput District of Orissa has brought home to us these things. I hope you will understand what I say and effect improvements in the direction I have suggested.

## Some Recent Publications :-

Deora Village Plan	Re. 1.00
Kamelpur Village Plan	Re. 1.00
Guide To Village Planning	Re. 1.00
The Village Oil Industry	Rs. 1.50
The Beekeeping Industry	Re. 1.00

Published by :

Khadi & Village Industries Commission,

P. B. No. 482, Bombay-1.



# THE SPIRIT IS AWAKENED

(By K. VAIDYANATHAN)

The Bhoodan movement was initiated on 18-4-1951, with the first land donation of 100 acres by Shri Vadere Ramchandra Reddy of Pochampalli in the Nalgonda District of Andhra Pradesh. It slowly gained momentum and reached its climax in the Gaya District of Bihar. But, even before then, the first Gramdan was received in Uttar Pradesh. Thanks to the efforts of Shri Akhshya Kumar, the Village Mongrot in Hamirpur District (Uttar Pradesh) was offered as the first Gramdan village. Although it is an off shoot of the Bhoodan movement, its significance in the social revolution that is in the offing, is far greater than that of the Bhoodan movement. Even by that time many thousands of acres of land were donated under the Bhoodan movement.

## Gramdans

After Mongrot, there was a period of lull in the Gramdan movement. Not much enthusiasm and interest was evinced till Vinobaji reached Orissa State. Orissa State contributed the largest number of Gramdans. There was a spate of villages in Koraput District. Out of 4,497 villages received in Gramdan, 1,960 were in Orissa and Koraput District alone.

Given below is a statement showing the number of Gramdan villages received in

the different States :

S. No.	Name of the State	No. of Districts	Total No. of Gramdan Villages
1.	Assam	5	127
2.	Andhra	12	481
3.	Orissa	10	1,960
4.	Uttar Pradesh	11	59
5.	Kerala	6	543 (12 addition)
6.	Madras	9	254
7.	Delhi	-	-
8.	Punjab & PEPSU	1	1
9.	Bihar	14	152(22 addition)
10.	Bombay	17	600
11.	West Bengal	6	26
12.	Madhya Pradesh	20	178
13.	Mysore	7	66
14.	Rajasthan	12	50
Total			4,497

## No Follow-up Work

If the progress of the movement is closely followed, it may be seen that a large number of Gramdan villages were and are



received as Vinobaji passes through the area or the State. Thereafter, there is a lull. It is because, the workers get energetic just before he passes and during his Padayatra, and rarely follow it up with the same zeal thereafter.

If only immediate reconstruction work was taken up in all or even some villages, the results would have been much more encouraging than what it is to-day.

From the reports received and on personal enquiries, it is learned that a large number of villages have been donated by the people voluntarily, although no worker ever went to those villages to induce the people to join the ranks. They heard the message from other Gramdan villagers, they were inspired, they felt the call and voluntarily responded. There are many villages which, thereafter, no worker has ever visited and explained the movement in all its different aspects and yet they continue to hold fast to their determination to pool their lands and live jointly.

### **Inspiring Examples**

There are very inspiring examples of villagers who owned large acreage and have subscribed to Gramdan and continue to hold fast. Even when explained about the basic principles of the movement and how it would affect them, they boldly affirmed their determination to continue to be in Gramdan and live in peace with others in their village.

All these indicate that the spiritual force behind the movement is sound. The people have truly responded. Unfortunately, the working cadre has not been adequate. The Government of the States have not yet

enacted the necessary legislation and strengthened them. This legal lacuna is creating very many obstacles in working. The people have contributed their all to the village commune. It is not recognised in law. The money lenders are afraid that one-day or other sooner or later—when it will be recognized, the land will pass on from the owner to the village commune. Hence, he does not want any more to advance money. No other agency has filled in the void. This has seriously affected their economy and life. It will be no wonder if under this duress they feel detracted and turn away from Gramdan. Yet, it speaks volumes of the binding and inspiring forces behind the movement, if the people still avow by Gramdan.

A study of the Gramdan villages so far received indicates that a large number of those who subscribed to the ideology and come together, are the Adivasis, the Harijans, and the poorer sections amongst the caste people. It does not mean that others who are well off have not subscribed to Gramdan at all. There are ; but they are few. It is the sickman that is in need of a physician. It is those who are worst affected by the present economic pattern of life that have at first come into the Gramdan movement. Natural too. But in Tamil Nad, Andhra, Kerala, Maharashtra, Bihar and Uttar Pradesh there are many villages which are well developed whose people are educated and conscious and yet have come under the movement.

### **Let Us Get To The Job**

Thus, it is seen that the movement has



caught the imagination of the people. The movement is gaining momentum, though slowly. It has created very healthy atmosphere. In some villages, distribution of land has already taken place. Others are also slowly falling in line.

If at this stage, we put in more, good, zealous and trained workers to look after their interests, educate them and help

them to rebuild, their economic life, it is sure to release forces of goodwill, co-operation, sincere efforts and common understanding from amongst them that a new leaf in their life will soon be opened. Not only it will bring about a healthy change in their life; but its impact will be left on the villages round about and also on the country as a whole.

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# MANPOWER UTILISATION IN PLANNED VILLAGES

(By VISWANATHAN TEKUMALLA)

## I. PROBLEM

One of the chief objectives of village planning is the diversification of village economy on the principle of occupational pattern based on the rational use of manpower. Such an occupational pattern is the core of the pattern of socio-economic life of a community.

manpower in the villages was noticed except in village Karakata where due to very brisk contour bunding work extra labour was put in by both men and women. Idle man-power was found generally in both men and women but mostly among women of joint families. A detailed study of the

**Table I**  
**Man-Power Availability And Utilisation**

Village	Base year	Working force ( persons )	Mandays (Lakhs)		(5)as% of(4)
			Available	Utilised	
1. Raiyan ( U. P. )	1955-56	246	0.45	0.36	80
2. Sultanpur ( U. P. )	"	200	0.37	0.33	89
3. Kamelpur ( U. P. )	"	392	0.58	0.37	64
4. Karakata ( Bombay )	"	305	0.68	0.80	117
5. Borkhadi "	"	1,002	2.27	1.72	76
6. Birapur ( U. P. )	1957-58	538	1.62	1.26	78
7. Peli ( U. P. )	1956-57	576	1.21	0.98	81
8. Deora ( Bihar )	1957-58	1,139	2.39	1.77	74

2. Village surveys were carried out under the Intensive Area Scheme to study manpower distribution and allied problems. Table I sets out the village-wise details of the total availability and utilisation during the base year.

3. Idle manpower amounting to about 10 to 25 per cent of the availability of

sources of idle manpower in village Birapur showed that of about 0.36 lakh mandays forming the idle manpower, about 0.25 lakh mandays (72 per cent) was accounted for by 81 joint families and 0.10 lakh mandays (28 per cent) by some 113 single families. It also showed that while there was one woman in a family on an average in the 113 single families, there were about 2.5 women per family on an average in the 81 joint families whose average size was



nine persons per family. This showed the existence of much idle man-power especially among women.

4. Sector-wise, the distribution of man-power in all the villages during the base year showed irrational utilisation (Table 2).

the bulk of the man-power utilisation, the man-power was not fully or efficiently utilised as borne out by the low productivity indicated in the survey. In the domestic sphere also, as long as the joint family system prevailed in a healthy state, there was

**Table 2**

**Man-Power Distribution (Sector-wise), (Man-days in lakhs)**

Village	Total utilisation	Agri & Ani-Husby	Village Ind. & services	other out-door work	Domestic work	3 as % of 2
1. Raiyan	0.36	0.30	0.06	—	—	83
2. Sultanpur	0.33	0.09	0.15	—	0.09	27
3. Kamelpur	0.37	0.30	0.05	0.02	—	81
4. Karakata	0.80	0.49	0.01	0.30	—	62
5. Borkhadi	1.72	1.68	0.04	—	—	98

Two points are borne out by the Table. First is the predominance of agriculture and animal husbandry in time-consumption. In all villages except Sultanpur agriculture (with animal husbandry) accounts for 62 to 98 per cent, while village industries and other occupations are negligible. Only in Sultanpur where transport (tonga plying) and labour outside the village are considerably rich sources of employment, agriculture accounts for about 27 per cent of the local total man-power utilisation. Secondly, work is irrational even in the household sphere. Data available for Sultanpur show that, of 0.33 lakh man-days, some 0.09 lakh or about 27 per cent are accounted for by the household work of women.

5. Though agriculture accounted for

pooling of domestic activities in the family and rationalisation was more or less achieved. This system rapidly gave way and resulted in household drudgery and lack of cultural leisure for women.

6. The survey data conclusively proved the case for rationalisation of man-power as a preliminary step to an ideal occupational pattern. If agriculture is rationalised, there will be scope not only for subsidiary occupations of farmers during enforced idleness, but for several industrial and development activities and projects. In the domestic sphere, the effect of the break-down of the joint family system is to be counter-balanced by redistribution of women's activities and raising their scale to village level. That is to say, certain activities performed by individual families



to-day may be undertaken collectively through joint management of the village community. Such activities performed by way of village services can relieve much of the drudgery of the village.

7. A successful rational distribution of man-power is conditioned by various physical and psychological factors.

i) A complete knowledge of available resources material resources like raw materials and funds, and human resources like man-power, skills, spirit of service, etc;

ii) The scope of development possible and the rate of increase in requirements of the villagers concerned ;

iii) Psychological preparation to imbibe enlightened self-interest and to get over caste prejudices ;

iv) Pace of acquiring new skills by training and improving existing skills ; and

V) Pace of mobilisation of resources, human and material and internal and external.

## II. PHASED SOLUTION

8. In view of the slow possibilities of building up these factors, it was found expedient to prepare the planned villages for rational activity by means of activism in the following directions :

(i) Developing existing industries by providing better equipment and raising productivity;

(ii) Introducing new industries like Ambar spinning, tailoring etc., and new services like hair-dressing ;

(iii) By undertaking development projects like construction, repairs to public works etc. by means of shramdan; and

(iv) Institutional programme like Parishramalaya, co-operative society, balwadi etc.

The primary objective of the development programme was to diversify employment and to fill the gap of idle man-power by providing gainful employment.

9. While formulating development programmes for the planned villages due consideration was given to factors like availability, of land, agricultural practices, self-sufficiency position of the villages in food products, cloth and other consumer goods and village services. Table 3 presents the year-wise programmes and achievements of the villages as against the base year:

The achievement and new activity were noticeable in the following directions : In agriculture, while the extension of cultivation was not large, improvements were effected in irrigation and crop pattern with fruit and vegetable cultivation. In animal husbandry efforts were made to improve the cattle position and then milk yield. While a number of new industries and services were added, attention was given to improving the existing ones also. By far a vital role was played by development projects like building and repair of irrigation works, and of public buildings like schools and Parishramalaya ; for this not only helped improve cultivation housing etc. but provided scope for employing considerable man-power on shramd



Table 3

## Year-wise Programmes In Planned Villages (Achievement-Achievement Under The Programme).

Village	Agriculture		Animal Husbandry		Khadi		Other Industries		Services		Development of Project	
	Base Year	Achievement	Base Year	Achievement	Base Year	Achievement	Base Year (Existing)	Achievement (Additional)	Base Year (Existing)	Achievement (Additional)	Base Year	Achievement
1. Raiyan	N.A.	N.A.	N.A.	N.A.	32 Trad. charkhas	19 Trad. 10 Ambar	-	1. Village Oil 2. Soapmaking 3. Rice 4. Fibre work 5. Ericulture	-	-	-	Building work and repair
2. Sultanpur	72	81	154	206	35 Trad.	22 Trad. 5 Ams. basketing needle work	Fans & basketing needle work	1. Oil pressing 2. Hand-pounding 3. Pottery 4. Smithy 5. Bricklaying	Tonga plying Hair dressing	-	-	Much building work and re-pairs.
3. Kamelpur	300	300	111	116	75 Trad.	75 Trad. 72 Amb. pressing 2. Weaving 3. Tailoring 4. Smithy 5. Goldsmithy	1. Oil pressing 2. Weaving 3. Tailoring 4. Smithy 5. Goldsmithy	1. Ambar 2. Gur & Khandsari 3. Cream separating 4. Brick	1. Hair dressing 2. Mid-wifery	-	-	Much building work and re-pairing
4. Karakata	1,600	1,850	280	280	60 Trad.	25 Trad. 20 Amb. pressing 2. Tailoring 1. Weaving 2. Carpentry 3. Mason work 4. Tailoring 5. Rope making 6. Neera.	1. Oil pressing 2. Tailoring 1. Weaving 2. Carpentry 3. Mason work 4. Tailoring 5. Rope making 6. Neera.	1. Smithy	-	-	-	Land bunding Building and re-pairing Building and re-pairing
5. Borkhadi	2,912	2,843	489	489	200 Trad.	277 Trad. 47 Amb.	277 Trad. 47 Amb.	1. Pottery	-	-	-	Building and re-pairing Building and re-pairing



or paid labour basis.

### III THE PRESENT POSITION

10. Village plans have been in operation in Raiyan, Sultanpur, Kamelpur, Karakata and Borkhadi for over three years and data are available for the first three villages upto 1956-57 and for the other two upto 1957-58. A general picture of the manpower utilisation presented in table 4 shows that there has been a gradually narrowing of the gap of unemployment in all the villages except Karakata where the relatively lower utilisation

income without detriment to the overall production and productivity in all sectors.

12. While the redistribution of manpower under the programme is encouraging, no claim can yet be made of anything like a rational use of man-power. Rationalisation of man-power does not consist in mere apportionment of available manpower among the various activities of the village. In a scheme of rationalisation, intensification of production should be linked with employment of cultural leisure by employment of higher technology in production so that the tempo of incre-

**Table 4**  
**Man-Power Utilisation Year-Wise (Man-days In Lakh)**

Village	Available	%	1955-56	% of(2)	1956-57	% of(2)	1957-58	% of(2)
1. Raiyan	0.45	100	0.36	80	0.40	89	—	—
2. Sultanpur	0.37	100	0.33	89	0.35	95	—	—
3. Kamelpur	0.58	100	0.37	64	0.47	81	0.47	8
4. Karkata	0.68	100	0.80	117	0.73	107	—	—
5. Borkhadi	2.27	100	1.72	76	1.93	85	1.98	8

noticeable during 1956-57 indicates a general reduction in extra labour on bunding operations.

11. The occupation-wise break up of the man-power utilisation figures give a clearer picture of the results of the planned efforts of manpower distribution over a period. Table 5 sets out details of the occupation-wise utilisation and the income generated under the programme. Available data bear out the impact of the programme in two directions :

First there is a progressive shifting of man-power from agriculture to the industries sector in all the villages. Secondly there is a progressive rise in the per day

used production and income can be maintained without sacrificing cultural leisure. Such a rationalisation leading to the evolving of a new occupational pattern is conditioned by three pre-requisite factors. First, norms of production, consumption and requirements per unit should be fixed by case studies. Secondly, public opinion must be educated in the direction of rational employment and production. Thirdly, resources, both internal and external, should be mobilised to a desired level and pooled to meet the needs of the programme undertaken. Work ahead lies in these directions for the Intensive Area Scheme.



Table 5

Man-Power Utilisation And Income (Occupation-Wise) Mandays In Lakh  
And Income Rs.

Village	Item	Total		Agri & Ani Husb.		Vill. Ind. & Sew Qty.	% of (3)	Development Project etc.	
		Qty.	%	Qty.	% of (3)			Qty.	% of (3)
1	2	3	4	5	6	7	8	9	10
<b>1. Rayan</b>									
1955-56	Mandays	0.36	100	0.30	83	0.06	17	-	-
	Income per day	1.36	-	1.00	-	1.33	-	-	-
1956-57	Mandays	0.40	100	0.30	76	0.09	23	0.01	2
	Income per day	1.30	-	1.34	-	1.00	-	-	-
<b>2. Sultanpur</b>									
1955-56	Mandays	0.33	100	0.09	27	0.15	45	*	-
	Income per day	1.30	-	2.80	-	0.60	-	-	-
1956-57	Mandays	0.35	100	0.08	23	0.09	26	0.11	30
	Income per day	1.60	-	4.10	-	1.60	-	0.80	-
<b>3. Kamelpur</b>									
1955-56	Mandays	0.37	100	0.30	81	0.05	13	0.02	6
	Income per day	2.20	-	2.30	-	1.20	-	2.50	-
1956-57	Mandays	0.47	100	0.30	64	0.15	32	0.02	4
	Income per day	2.35	-	2.15	-	2.50	-	2.50	-
1957-58	Mandays	0.57	100	2.26	44	0.17	30	0.14	26
	Income per day	1.43	-	1.53	-	1.12	-	0.60	-
<b>4. Karakata</b>									
1955-56	Mandays	0.80	100	0.48	60	0.02	3	0.30	37
	Income per day	1.16	-	1.08	-	3.00	-	0.83	-
1956-57	Mandays	7.73	100	0.45	62	0.07	9	0.21	29
	Income per day	1.37	-	1.32	-	3.00	-	0.92	-
<b>5. Borkhadi</b>									
1955-56	Mandays	1.72	100	1.68	98	0.04	2	-	-
	Income per day	1.46	-	1.40	-	4.00	-	-	-
1956-57	Mandays	1.93	100	1.65	85	0.26	14	0.02	1
	Income per day	1.37	-	1.40	-	1.33	-	1.00	-
1957-58	Mandays	1.98	100	1.65	83	0.56	19	0.07	4
	Income per day	1.50	-	1.50	-	1.60	-	1.00	-

\* Domestic work excluded.



# MOSHAV: THE ISRAEL VILLAGE

(BY VITHAL PATWARDHAN)

(Moshav is an agricultural settlement of a village in Israel, where land is cultivated by individual families as elsewhere in the world. All farmers are members of the multipurpose society of the village. The multipurpose society looks after sale and purchase of all agricultural produce, credit and banking facilities and all requirements of farmers economic and social.)

Land belongs to the state of Israel and it is leased to farmers of settlements for 49 years. This lease is, of course, renewed at the end of this period. In Indian co-operative terminology, Moshav ovdim' is a very comprehensive and well knit form of a multipurpose society. Let us take for example the Moshav at KFAR-VTIKIN.

## **No Hired Labour**

This village has a population of about 1,000 souls. There are 150 farmers' families, each cultivating about 7 acres land. Each family has 5 to 6 cows and 2 to 3 thousand chicken. All the land of this village is irrigated and the main crop is oranges. The 'gafa' variety of the mediteranean is grown here. All the land of the village is subdivided according to its categories. So farmers have pieces of land all over the area of the village.

Besides the basic co-operative structure of organisation of the village, one of

the fundamental rules is not to hire labour. If in exceptional cases labour has to be hired, it is done through the co-operative society of the village and the labourer gets the standard wage prescribed by the central organisation of labour.

## **Mixed Farming**

This 'Moshav' has decided to concentrate on three branches of mixed farming—Orange groves, poultry and dairy. Mechanised agriculture saves human labour as far as possible. Poultry farming is done on the most modern methods and dairy products compete well with the highest standards of the world. Hard and intelligent use of human labour is added to these factors. The farmer of this village, with the help of the village co-operative society makes an average net income of (Rs. 8,000–12,000) 3,000 to 5,000 Israeli pounds a year. This is the net income after paying all taxes which are quite heavy.

The standard of living in this 30 year old Moshav is quite high. All farmers have good houses which look like 'Bungalows' with 5 or 6 rooms with a neat garden in front and poultry and dairy in the backyard. The village is provided with electricity and water. In these well furnished houses, radios, refrigerators and washing machines



are common appliances. Many farmers have their own tractors ; others have a horse wagon.

### Hard Work

The comforts of the house are balanced by hard work. Farmers work throughout the day. The day begins very early at 5-30 in the morning when farmers and their wives pay their first visit to the dairy cattle and chicken houses. They peep into the incubators to find if the expected chickens are knocking at the shells, or to see if the temperature is correct or to see if the lamp has enough oil. Eggs are collected and cleaned. Cows are milked. The wife starts preparing breakfast and the farmer carries eggs and milk to the co-operative. Average yield of eggs is 2-3 hundred per day for each farmer. A cow gives 40 pounds of milk per day.

The co-operative society centre is divided into various sections, Poultry Dairy Fodder house, shop etc. In the poultry section, a shelf is reserved for each farmer. He brings and deposits his eggs in the shelf where he finds his account for the last day and eggs which are broken or which are 'under weight'. In the Dairy section he delivers his milk and gets a credit note. On this trip, the farmer makes his purchase of 'cow - feed' and chicken-feed. The society has a plant for mixing 'cow-feed' and 'chicken feed' in the different proportions required. Special mixtures for 'table chicken' and 'laying hens' milking cows' are prepared in this plant. The farmer receives what he needs and signs his name on the

account book and receives a debit note.

### In the Farm

Taking his break-fast between 8 and 9 in the morning the farmer leaves for the farm. This is orange picking season. Oranges are an export commodity in Israel, This village grows, 'clemantives' and Shamuti varieties. All oranges are packed in wooden boxes. Each box contains 210 oranges. Near the village, there is an orange packing house which serves this Moshav along with others. Farmers take export oranges to this packing house. This packing house is really a big factory. It manufactures boxes for export of orange and every day packs 5,000 boxes of oranges. Oranges coming in from the farmers are sorted, cleaned, processed and polished with machinery. One hundred and fifty workers are employed in this packing house. Here also the farmer gets a credit note for his oranges. Oranges going to the local market, are delivered in another centre.

While the farmer is at the farm, the wife looks after the chickens, cleaning, feeding and odd jobs of fixing the nets, sorting of eggs, taking out chickens from the incubators goes on throughout the day. Almost all farmers have incubators of 500 to 1,000 capacity. But the co-operative centre has central incubators (the total capacity of these incubators is 1,10,000 eggs.) The village sends out 1.50 million eggs per month and 50 tons of chicken meat. The wives of farmers go to the farm only when they can or in the picking season.



The housewife finds time to visit the central co-operative shop. This co-operative consumers' store, of the village is a self-service shop. All consumers goods are arranged in suitable packets. The customer walks into the shop, collects all that he needs in a basket provided by the shop and cashier makes a bill for the purchases. If this shop is conducted in the usual way, it would require at least 8 people as salesmen. According to this method it requires only 4 people.

### **Management**

The Moshav is organised like a co-operative society. The annual meeting elects a council of 15 members. They elect an executive of 5 members. Fifteen members of the council look after 15 or more committees each for one department like the poultry, dairy shop, oranges, transport, culture, education etc., etc. The Moshav settlement gives the status of membership to its 'service men' who are not farmers, but work as employees of the Moshav. There are poultry experts, truck drivers, salesmen in the shop, accountants and book-keepers. In this Moshav there are 50 such service men.

This Moshav along with other settlements of the same and efficient type is a member of higher co-operative institutions which can be compared to co-operative unions and federations in India. There are institutions which organise marketing of milk and consumers goods, health and housing on a large scale. This Moshav is connected with these institutions which co-ordinates and helps its activities.

### **Mutual Aid**

Though all co-operative work is genera-

lly for mutual aid, the settlements in Israel execute responsibilities about mutual aid on a very comprehensive scale. Cattle insurance, crop failures, death of chickens and cows are covered in this Moshav by mutual aid, losses of a farmer are covered by the village to a very large extent. Though everyone of them has to pay for this compensation, it serves as a source of great security, solidarity and responsibility. To minimise such losses the village seeks expert help in each branch. There is a general cattle insurance scheme working on co-operative lines in Israel, but this particular village has chosen to have its own cattle insurance. It pays nearly 80 per cent of the value of the animal. A milking cow in Israel costs about 1,300 Israeli pounds i. e. Rs. 3,500. There are certain aspects of mutual aid which look after the interest of the farming unit for a longer period. Farmers die leaving a widow and children. In a Moshav the village selects and gives a 'help' who works on the farm till the son of the house is old enough to look after the farm. Looking after this farm is a special responsibility of the village.

### **Services**

The Moshav as a settlement is also a small municipal unit. It looks after the roads, sanitation, education and health of the settlement. The Government of Israel makes provision of teachers, but the rest of the school activity is managed by the village. Buildings, apparatus, books and papers are all supplied by the village. The educational standard is quite high.

The farmers are interested in making



their sons farmers and facilities of education and cultural activities match those of the cities. This Moshav has a theatre which can accommodate 600 people. It has a library and cultural centre where young people learn music and painting.

All these facilities and standard of life mean heavy taxation. Farmers in Israel have to pay income-tax.

In a Moshav the farmer gives all his agricultural produce to the society and borrows all that he needs. Almost all his work proceeds by credit and debit notes. Each month he gets a copy of his individual account in the society. The

society cuts from his income his dues and his taxes. The taxes are collected every month or every quarter on the income. At the end of the year the farmer gets his final account slips. He is free to take out his money or keep it in the society which is also his Bank.

Throughout there is an atmosphere of honesty and trust, co-operative spirit and mutual aid. The village of 1,000 souls is a well-knit unit, working in harmony and co-operation. Hard work, technical skill, and knowledge and use of machinery to save human labour and time are the basic components of this village society.

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# TUSSER SILK INDUSTRY IN M. P.

( BY RANADE )

Tusser silk Cocoons are found mainly in the Districts of Sarguja, Raigarh and Bastar. There are two seasons of silk rearing industry – July to September and October to November. The first season is mainly intended for seed formation and distribution, while second is utilized for gathering silk cocoons. The Adivasis usually do not avail of the first season. They work only in the second season. They purchase the seeds (eggs) for the season from outsiders who deal in it. The total harvest of cocoons is estimated to be 12 lakh cocoons. The exact number of Adivasis benefited by this industry of silk rearing is not known. It is said that the number of such families would be about 500.

The local varieties of cocoons are known as Ladiya, Ampatiya, Bhandhra, Begai. They are smaller in size and feed on the leaves of Saja, Sarai, Sinha, Dhawda, Arjun, Berry, Palas. The cocoon worms have a special characteristic they stick to one variety of leaves throughout their life cycle. The superior variety of cocoons known as Dabha, is bigger in size and 500 Dabha cocoons are equal to 700 cocoons of the local variety. The difficulty about the Dabha variety is that it survives only on Saja and Arjun leaves.

The cocoon worms ( Larvae ) come out of the eggs after ten days. The worms are

put on the leaves of the standing tree where they feed themselves in the open. As soon as the leaves are exhausted the worms are picked up and spread out on the branches of a new tree. This process goes on for 32 days during which time the worm develops in length and size. Sometimes the length of the worm is six inches. The worm looks very attractive and bright. Lot of care is needed to protect them from attacks from birds and other insects. After the completion of 32 days, the worm enters into Puppa stage ( live cocoons ). The new cocoons, when they become tough, are picked and sold. The cocoon rearers are required to work hard during this season of 40 days or so and the whole family is required to concentrate on their job. The final harvest of cocoons depends on suitable climatic conditions and freedom from pests. The Adivasis have a number of superstitions and observe a number of rituals which help them to concentrate on their job. During the season they do not shave, do not live with women, do not drink liquor, do not like the sight of a weaver and do not allow the Kosa Weavers to see the trees on which cocoons are reared. It is reported that the rearer is considered lucky if he is to turn 50 per cent of worms into cocoons.



The existing problems of the silk rearing industry are as under :

- A) Non-availability of improved and disease-free eggs.
- B) Lack of farms.
- C) Lack of guarantee of a minimum price for the cocoons.

**A. Non-availability Of Improved And Disease-Free Eggs :** The Adivasis do not pay much attention to the first season (July to September) and do not develop their reserves of eggs for the next season. They usually depend on others and purchase any type of egg of silk worms. In order to remove this difficulty the Government of M. P. has prepared plans for establishing silk rearing centres for introduction of improved and disease-free eggs and guaranteeing their adequate supply at the start of the season. One such centre has been established in Gharghoda, in Raigarh district. The centre has 15 acres of land with 4,231 trees. The following staff has been provided at the centre.

1 Farm, 3 Demonstrators, 4 operatives and 2 fieldmen. The operatives and fieldmen actually do the rearing work on the farm and also the work of pairing the moth which comes out of cocoons after 6 months. The eggs laid by the moths are inspected and sorted under expert observation. The selected eggs are distributed to silk rearers. The Demonstrators are responsible for contacting the silk rearers and implementing the development programme. Out of the 150 families in Gharghoda area, only 22 have availed of the facility offered

by the centre. It is a practice to give eggs of 50 paired moths to a family doing this business. Generally they get about 20,000 eggs and reap a harvest of 10,000 cocoons. There is no special arrangement for guaranteeing a fair price to the improved variety of cocoons.

**B. Lack Of Farms:** The Adivasis are allowed to do silk rearing in forests as they are. The trees suitable for this industry are mixed up with other types of trees. Therefore, it becomes very difficult for a rearer to attend to his work. Attempts should be made to select areas for silk farming, cut down trees not required for this industry and grow trees like Saja and Arjun in their place. This will help the rearer to attend to all the trees on which worms are spread.

**C. Lack Of Guarantee Of Minimum Price For Cocoons :** A family engage in silk rearing works for about 40 days to collect about 10,000 cocoons. If the family consists of four adults, then, on the basis of Re. 1 per day per adult, the family should get at least Rs.  $4 \times 50 = 200$  in a season. From this calculation the minimum fair price for the cocoons would be Rs. 2 per hundred. The local cocoons unit is a Khari equivalent to 1,680 cocoons. The fair price for one Khari should be  $\frac{1,680}{100} \times \frac{2}{1}$  Rs. 33.6. It is possible to get about  $1\frac{1}{2}$  lbs. of silk at this price. For the improved variety the price should be little more. The Khadi Institutions doing production of tusser silk Khadi should guarantee this price and work out the production chart on this basis.

The existing reeling rate of the silk is



eight annas per 100 cocoons of local variety. Usually one lady reels only 100 cocoons in six hours. The weaving charges for weaving a cloth of six yards by one foot is 6 to 7 rupees. Silk requirement depends on the size of cocoons. Usually 700 of the small variety and 500 of the bigger variety are required. (Possible annual production in Raigarh would be 4,000 sq. yds. and for

M. P. 12,000 sq. yds. It would be more if cocoons are imported).

The silk waste is not properly utilized at present. The Department Industry had decided to introduce improved spinning wheels for utilizing this waste. About 10 wheels have already been introduced. Further effort is needed to intensify this activity.

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# THE FUTURE OF BEE-KEEPING IN INDIA

(By H. VISWANATHAN)

Honey-bees and honey have been known in India from time immemorial. They are as old as our country. Mention of them in the Vedas, the Upanishads the Puranas and the Epics like the Ramayana and the Mahabharata bear ample evidence to show that our ancestors had a fair knowledge about bees and their ways and they knew the value and uses of bee-products, honey and wax. The various medicinal uses of honey have been dealt in classical works on Ayurveda viz. — "Sushruta Samhita" by Sushruta and 'Ashtanga Hridhayam' by Vagbhata. A comprehensive account of the knowledge and practice of Bee-keeping known since the time of Rig Veda is found published in a series of articles, "Bee-keeping in Ancient India" by Sri K. N. Dave, Sanskrit Scholar. All recent researches also cite India as the original home of the Honey bees. All these are related to the past history of the bees and beekeeping in India when the country was in the zenith of her past glories and prosperous conditons flowing perhaps literally with milk and honey. The presence of a large number of varieties of bees in India indicate the richness of Bee flora the country had and the potentialities held by

it for present work and future development. Much honey was collected chiefly from the forests every season under crude methods and was consumed. Semi-domestication of bees in pots and hollow logs was also in vogue in the different parts of the country. There was flourishing trade of honey and was in the country until the introduction of cane sugar. The production of cane sugar on large scale and on organised basis did bring harm to the Honey Industry and it was slowly losing its importance. Nevertheless, the subject of Bee-culture in India in a systematic way was taken up only about 60 years back.

The All India Khadi and Village Industries Board(now Khadi and Village Industries Commission) have taken up the development of Bee-keeping since 1953 with the financial assistance from the Union Government and have established a number of Area offices with many substations in the different States.

It is estimated that in India there are now about 20,000 Beekeepers having about 1,00,000 bee colonies with 10,00,000 to 15,00,000 lbs. of honey in the year, three fourths of which is accounted for by South India. This is nothing compared to the



statistics available for other countries and it is not proportionate to the scope available in India. India can and must produce more honey. There is not much honey in the country even for distribution at the rate of one pound per head per year. Only by extensive and intensive Beekeeping, it may be possible to increase production of honey to meet the demand of the country and for export purposes. Marketing is no problem at present. Production is all important and emphasis must be laid for increased production. Production methods should aim for cutting down the cost of production so as to find a ready market.

### **Need For Research in Apiculture**

In order to raise the production of honey and other bee products in the country, besides organisation and extension work, research work in Apiculture must be encouraged. Only through research, any true knowledge and experience of a subject can be gained for wider application for any quantum output.

Bees are tiny little delicate living beings and are a collective force. They have peculiar habits developed through instinct. Their actions are governed by reflexes and not by conscious intelligence. They do not seem to possess any high degree of intelligence. They have fixed ideas and seldom depart from them. However, they do possess some measure of adjustability to circumstances. How the bees will react to treatments adopted at various junctures is difficult to be judged with accuracy. One may have to develop a sort of sixth sense for reading the mind of the bees. It is said

that bees do not think. But without any thinking how can they act? Thought must precede action. The individual Bee cannot live alone, it is necessary to regard the whole community as a single being.

The Bee Biology and Bee Genetics present special features of Entomological and Cytological problems other than ordinary Biology and Genetics applicable to other beings plants and animals. They require special studies and application particularly when Bee-breeding, Queen rearing, Instrumental insemination of queens controlled natural mating etc., are undertaken.

Bee-pasture is another subject requiring patient observation and studies and necessary classification.

Bee-pollination is yet another branch holding out for thorough investigation for developing planned pollination work of the different crops in India in order to utilise the services of the bees for increased yield of crops as it is carried on effectively in other countries.

Bee enemies, predators and parasites and bee diseases form a special study and constant watch so as to find ways and means of control measures and provide bees better protection they deserve.

Standardisation of hives (pattern and materials) equipments and bee products and their specifications require exhaustive studies.

Standard methods for processing honey and wax have to be developed and research work on these items should be undertaken



as we increase the production.

### Indian Bees

The study of the different strains of Indian bees found in the different parts of India on matters relating to acclimatization, breeding, behaviour docility, longevity, yield and other performances for the election of suitable strains and their introduction for improvement of the stock require attention and patient work.

Similarly, trials with bees (free from diseases) from other tropical and sub-tropical countries need investigation.

Other items of research work on bees and bee keeping may include.

1. Selection and breeding of best strain and rearing pedigree queens.

2. Studies on the fecundity (egg laying capacity) of the different strains of queen bees.

3. Studies on the activities of the different types of bees on the hills and plains with reference to environmental conditions like temperature, humidity etc. Flight ranges, time, distances depending on weather conditions.

4. Studies on the load capacity of the workers of the different strains of bees.

5. Research work on swarming, swarm control, and absconding.

6. Studies on package bees and problems of Bee-Nurseries.

7. Studies on Bee pasture — principle sources of nectar and pollen — indigenous and foreign introduced, their classification

and propagation etc.

8. Studies on the influence of weather on nectar secretion and its concentration on the hills and plains.

9. Studies on feeding bees with substitutes for pollen and honey.

10. Studies on Bee poisoning due to crop protection methods spraying and dusting with insecticides and pesticides and other poisonous sources.

11. Studies on seasonal Bee-keeping in selected areas for production of honey and for raising bee-colonies.

12. Studies on Migratory Bee-keeping, working cost details of a workable unit etc. influence of weather, long distance moves cart, motor, rail, sea and air transit.

13. Investigation on the possibility of establishing forest Apiaries on permanent locations.

14. Collection and study of the different honeys, their characteristics.

15. Studies on testing, grading, blending, processing, storing, packing, selling and showing of different honeys.

16. Studies on the nutritive and therapeutic value of different honeys, pollen, Royal Jelly etc.

17. Experiments on the preservation of fruits and fruit juices in honey.

18. Research work on Apisdorsata, florea and melipona and trigona bees.

### No Boundaries

Research holds no boundaries. It is a



continuous search for Truth, Light and Perfection. It is an endless journey handicapped with our limitations. Nevertheless, the above enumerated items of research work on Bee-keeping when worked out fully would help us to gather a good deal of information of immense practical value to Bee-keepers and their institutions. These items have not been studied thoroughly so far for any practical application on a large scale to improve the quality and quantity of honey and wax and other bee products that may be harvested and to develop Bee-keeping as a paying proposition wherever it may be possible.

Bee research is vital and in this connection, there should be some link formed between the various Educational Institutions and Research Laboratories (Government and Private) and the Bee-keepers and co-ordinated effort pooled in gathering and disseminating the results of researches for extension work. Certain lines of work may be indicated in this connection. A scheme for giving prizes to valuable publications of books and papers on the various aspects of Bee-keeping with details of research may be considered and necessary recommendations made.

Bees and their ways ever remain a challenge and it is only through long research, we may understand them properly and benefit by their lessons. Look up to the bees for knowledge more than for their honey. Honey is sweet, but sweeter than honey is the wisdom of God—True knowledge. May the bees live long and confer on us Health, Wealth and Wisdom.

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# POTTERS AND THE POTTERY INDUSTRY

( *By K. R. SUBBARAMAN* )

The Khadi and Village Industries Commission, in its scheme for the development of the village pottery industry, stresses more on utility pottery ; but this does not mean that utility need be divorced from art. The field for the development of pottery industry is so vast that no overlapping of the activities will happen for many years to come. There is a feeling in some quarters that, since the Small-Scale Industries Board and the All India Handicrafts Board have also pottery schemes, there is overlapping of expenditure. Such a feeling is without foundation. For example, in Khanapur, District. Belgaum, the schemes of the different Boards are in operation, but their activities are clearly different from one another. The State is running for the past 12 years a Demonstration Centre. This is mainly engaged in training every year one group of 10 potters in the production of Rockingham-ware pottery, using red clay for the body and fritted glaze made opaque by Ceramic colours. It is a costly experiment. Till today not a single industrial co-operative has taken to this kind of pottery production, although so many batches of students have been trained at an enormous cost

approximately, Rs. 2,000 per trainee. There may have been practical difficulties of financing production units in the past but now a suitable pattern can be got approved for financial assistance under one or the other Boards, so that the State Demonstration can prove its utility in the development programme.

## Khanapur Institute

The Commission has its Central Village Pottery Institute in Khanapur. It has been functioning since 1954. At present the training course in the Institute is for 10 months. The main activities of this Institute are to provide.

- i) trained qualified supervisory staff for development activities in different parts of the country ;
- ii) Master Potters for centres all over the country; and
- iii) to study the problems in village pottery and after experiments and research, to extend technical assistance for the workers in the field.

Till the end of 1957-58, the syllabus for the centre included only unglazed pottery



of different types and simple glazing for decorative and utility wares, employing simple and cheap tools and kilns, and involving very low capital investment. This scheme cannot be compared in any way with that of the activities under the State Government or the other Central Boards. This kind of training in technical and organisational sphere is simple, practical and useful. Till the end of 1957-58, 151 persons had been trained in simple techniques, involving a very low capital investment. A comparative study of the cost and the benefit derived by the trainees in different training centres, in Diploma Courses, and in Universities will reveal that the Commission's Institute has been doing the best with the least expenditure.

### **Glazed Pottery**

The Small Industries Board is running since 1956-57, a Service Centre near Khanapur for supplying the basic materials like white-clay-body and glaze for high temperature pottery. It has also in its scheme the training of expert artisans, specializing in particular jobs in glazed pottery production. This scheme is also different from other schemes in operation in Khanapur.

The Khadi and Village Industries Commission has also a scheme for high temperature glazed pottery. The scheme will be implemented by Co-operative Societies and Registered Institutions. One Co-operative Society of experienced workers has been registered in Khanapur and it has shown enthusiasm in running one such Glazed Pottery Unit, taking basic materials from the Centre run by the Small Industries Board. This activity also is

clearly different from that of the other Boards. The Handicrafts Board has no pottery centre of its own in Khanapur. I have mentioned these facts in order to show that there is not only no overlapping, but there is co-ordination and mutuality of interest. There is, in fact plenty of scope for all the Boards to organise this work in Khanapur. This place has good workable clay of many varieties. Fuel is available in good quantity and at cheap rates. There is water facility and the Railway Station is near. There is steady demand for all the pottery products from that region. In Khanapur, there are also a few private factories producing stone-ware pipes and Mangalore-type roofing tiles. If at all there is waste, it must be in the Centre which has no follow-up programme.

### **Nothing New**

There are people who would have the Khadi and Village Industries Commission to limit its scheme for this industry to the *low temperature pottery* and rehabilitation of the village potters, restricting their products to utility wares marketable in the villages and round about. This advice has no meaning in the context of modern trends. We are unfortunately fast discarding the village pottery articles and are in for metal wares. In the circumstances the only hope of survival to the village potter is to produce new types of articles for which there is demand and which he can manufacture and supply. Glazed pottery is one such line, though it is not quite new to the potter. Glazed pottery is not something separate from pottery. In fact, there are village potters who



have been doing this technique of glazing for centuries.

The art of glazing village pottery is practised even to-day by village potters of Chunar, and Karigiri. The same type of glazed pottery made by European potters is known as folk pottery and is highly prized and used. Was not porcelain produced in China by village potters? Are not Japanese potters engaged in glazed pottery production? Why should Indian potters be tied down to the making of crude wares? Given foolproof clay-body, glaze, colours, etc., as basic materials, it should not be difficult for the potter to achieve even high temperature white pottery and porcelain. To assure a steady supply of these reliable basic materials is the job of the expert in a Service Station. Khadi Commission should not have any compunction in encouraging even the finest pottery involving the highest skill and scientific knowledge, if only most of the operations are done by hand, the scope of employment is increased and production is of utility articles. Since science, skill and art go together in all walks of life and made for progress, why should these be kept out of the reach of the village pottery industry?

### Service Centres

The Small Industries Board is ready to open service centres for supplying the basic materials of clay body, glaze, ceramic colours, etc. to individuals, co-operative societies or registered institutions on a cash – and – carry basis, so that production centres can be served with reliable basic materials at reasonable prices. The Glazed

Pottery Production Unit Scheme for white ware under the programme of the Commission seeks to encourage production of glazed pottery by availing of those service centres for basic materials. Wherever the Small Scale Industries Board has no service centre, supplying these basic materials at reasonable rates, the Khadi Commission has a scheme to establish Experimental Ceramic Station for this purpose. Around each Experimental Ceramic Station, six glazed pottery units located within about 100 miles radius will be encouraged for production of glazed pottery.

The demand for glazed pottery products has been growing not only in cities and towns, but in the villages also to an appreciable extent, Pickle-jars, Chatni-bowls, plates and even cups and saucers are finding their way into the villages at a rapid rate. This market has to be served by organised centres, reaching the benefit to village potters who will then take to the decentralised activities of modern pottery production. The limit of activities under the Khadi Commission can, however, be placed by limiting the maximum capital investment required for each production centre. This can be kept normally upto Rs, 50,000. The assistance given is to be restricted, as is the rule at present, to Co-operative Societies and Registered Institutions which benefit the artisans and in which there is no scope for individual profiteering and exploitation.

The scope for employment is another factor. The use of motive power in production is restricted to exceptional cases under the Commission. The glazed pottery acti-



vities under the Khadi Commission for some time to come will not assume large proportions. To start with, this scheme will be encouraged only in a few places where favourable conditions exist, as it will take time to educate the potters, equip the centres, organise the supply of basic materials and continue uninterrupted and systematic production.

Glazed pottery is one, two, three or more steps ahead of unglazed pottery; but there is the ladder and the village potter can climb up slow or fast according to the opportunities offered and assistance given. Low, medium and high temperatures have only artificial and vague limits. Temperature is achieved by more rapidly increasing generation of heat and its conservation in the kiln. Potters achieve and regulate temperatures according to the clay used and according to the thickness of the wares.

### **Improved Techniques**

Facilities have to be made available and the potter has to be encouraged to improve the quality of his wares. It is true that the improved wheel is costly, but the traditional wheel has its limitations. The advantages and disadvantages of all tools are debatable. All improved equipments and techniques can be said to be more complex and costlier than the conventional equipments. The potters' wheels with ball - bearings may offer more friction than the traditional wheel-on-the-pivot, but the advantages in having a steady potters' wheel, that does not wobble cannot be disputed. The traditional potters' wheel is no doubt easy to rotate for a skilled potter with years of

practice; but since it is rotating on a pointed pivot, it is a difficult art. The wheel with ball-bearings is designed to rotate in one plane, and this advantage has offset the slight frictional resistance of the ball-bearings. From experience it has been noted that new comers in pottery line, including the educated among the potters' community have found that the art of throwing could be mastered within 6 months' time which required years to master on the traditional wheel. Also, potters get less exhausted on ball bearings wheel than on traditional wheel. Big jar with stable bottom, not requiring beating for the finishing of the pot, using upto 50 lbs. of clay, can be made on the new model potters' wheel. This cannot be dreamed of by any potter on the traditional wheel. The cost of the improved wheels has been fixed at the minimum and subsidized rates. It is a life-time investment which any intelligent potter should understand. There is no recurring expenditure.

About the kiln, the construction and design are said to vary according to the locally available fuel. This is wrong. It is designed according to the nature of articles that are to be fired. For ordinary pots and pans, bricks, for simple glazing of pottery, etc. the Kiln design varies. The Khadi Commission has not prescribed any improved kilns to the potters, but it has been experimenting on updraft kiln have proved to be more economical for baking both traditional and new types of village pottery.

### **Neglected By Ceramists**

The Ceramic Chemists in various States



for the last more than 10 years on one pretext or another neglected the village potters. They could not visualize the tremendous potentialities and the hidden talents of the potters. The Ceramic Chemists tried to vulgarise the Glazed Pottery Industry in the name of the so-called Rockingham-wares. They failed. The monuments to their failures are scattered all over the country, including Khanapur. The Commission, on the contrary, was very cautious in the initial stages, confining its activities to terra-cotta. Having studied the strength of the potter and having made an attempt to pool the existing talents, the Central Village Pottery Institute imparts a comprehensive training in practical and theoretical sides. The trainee is not taught anything which he cannot work with the limited resources in his village. No article is produced which is not saleable in villages.

Indeed, the Madras State has equated the training given by the Commission in its course of 10 months in the Central Village Pottery Institute to a diploma course. The kind of training imparted in the Central Village Pottery Institute, Khanapur, is exactly what is needed for the candidates who are selected for running Model Production Centres. In fact, the Commission's Training Course in Khanapur, imparts much more than the Diploma Course does in many respects.

Read :

1. The Story of Handmade Paper Industry Rs. 1.50
2. Village Leather Industry Re. 1.00
3. A Handbook Re. 1.00
4. Wealth From Waste Re. 1.00
5. Gur-Khandsari Industry Re. 0.25

Available from :

The Khadi and Village Industries Commission,

Post Box 482,

BOMBAY-1.



# SEARCH FOR A RURAL LATRINE

(By C. V. H.)

The problem of evolving a suitable rural latrine has been engaging the attention of many people for a long time. Many efforts have been made towards developing successful types of latrines for different parts of the country, but the problem, until recently, has not been solved in a systematic manner. Many latrine designs have been advocated for different areas, but each has met with some difficulty in being accepted by the village people.

Perhaps the first organised efforts for conducting latrine construction programmes in and around India began with the establishment of Health Units which were set up first in Ceylon and later in India by the Rockefeller Foundation in 1930. Bore hole latrines with precast squatting slabs were tried in these Health Centres in the States of Bengal, Uttar Pradesh, Punjab, Bombay, Mysore and Madras. These efforts met with some success, but there were practical difficulties in getting them installed inside the houses and moving the latrine to a new location after this bored hole was filled up. There were also the problems of foul odours and fly breeding with this type of latrine since it had no water seal.

In Uttar Pradesh, the idea of replacing the bore hole by constructing a simple septic tank directly under the seat was tried in the Pratapgarh Health Unit. Later on the India Village Service, a voluntary organisation in Uttar Pradesh evolved a junior septic tank by using a cheap earthen *ghare* for the purpose.

## The Trench Type

At the same time, different types of latrines were being advocated by other organisations. From Sevagram, [Mahatma Gandhi advocated the use of the simple Wardha type trench latrines. Though its cost was very low, the main disadvantage with this was that each user had to cover his excreta with earth and the squatting foot-rests had to be continuously moved along the trench. At many places, there was insufficient space in the nearby fields to construct this type of moving trench latrines. Animals also could gain access to the trench and spread the excreta around if the latrine was not properly maintained.

Later the trench latrine was improved at the Singur Health Centre in Bengal and by the Friends Rural Service Project in



Orissa. The improved designs were more useful, but were not suited to the rural areas partly because of the high cost and partly because they were designed to flush with large quantities of water from overhead tanks. Consequently these could not become very popular in villages.

The National Planning Commission, deliberating on the immense problem of rural environment stressed in its First Five Year Plan that "the provision of an environment conducive to healthful living is an essential requirement for the maintenance of public health. In countries where water supplies and waste disposals have been attended to, cholera, typhoid, fever and dysentery have almost disappeared and rare cases occur due to personal contact or food handling by healthy carriers. These measures also have had their effect on the infant mortality rate and the intestinal parasitic infections rate. In India these problems largely remain to be solved."

### Sources Of Infection

It is a well known fact that, of the sources of infection which affect the human body, man himself is the reservoir of most of the diseases that destroy him. These diseases which are most prevalent in the underdeveloped areas of the world are commonly intestinal diseases and include cholera, typhoid, dysentery etc. All of these can be controlled by creating a sanitary living environment especially by improving methods of human waste disposal. The barrier which can be created to prevent the spread of faecal contamination of food and water is the sanitary latrine.

If a population could adopt and use sanitary latrines, the tremendous mortality and suffering from intestinal diseases could be greatly reduced and controlled. Many efforts have been made in this direction, but most of the programmes have either failed completely or have not been popular. It is estimated for the country as a whole that less than five per cent of the dwellings have been provided with sanitary latrines.

When the Community Project Administration launched on its First Five Year Plan, the bored hole squatting plates and dug pit latrines were officially recommended for the rural areas. But, in the N. E. S and C. D. Blocks, the sanitation programme has not achieved the desired success.

The difficulties experienced from these and other experiments were sufficiently great to indicate that some organised studies were urgently needed to determine more successful types of sanitary latrines for rural areas. With this in view, the Planning, Research and Action Institute, Uttar Pradesh, began a study to evolve a suitable latrine design which would overcome the existing shortcomings in the field and would be popular with the village masses.

### Disposal Problem

In 1956, the Rural Health Section of the Planning, Research and Action Institute began to investigate the types of studies required for solving the difficult problems connected with making the environment of 1,11,000 villages of Uttar Pradesh more sanitary. After a study of the previous experiments with latrines programmes in this and other States



and in some of the South-East Asian countries, it became apparent that the problem relating to sanitary excreta disposal in rural areas fell in two main categories. These two categories relate to:

- i) the physical design of the latrine itself and
- ii) the human factors which develop awareness in people and motivate them to install and use latrines.

The procedure that was adopted for the experimental study was set up in three stages :

1) to conduct a preliminary investigation for collecting information about various types of latrines that were already being tried at many places,

2) to test these available designs in a controlled laboratory situation and make improvements in them, and

3) test several improved model under actual field conditions in some selected villages.

#### **Latest Model**

Four separate trials of different designs of existing and improved latrines' pans were conducted in the Institute over a period of 19 months. When several trials had been completed and improved models were found to work very efficiently, they were installed in some village homes for observing their working under actual village conditions. After studying the results of the experiments and the field observations, it was concluded that the latest latrine pan was superior to others which have been so far tried in the rural areas.

The latrine meets all the public health standards, conforms to the shape which people feel is most convenient, takes only a small quantity of water to flush, occupies minimum amount of space and cost of the latrine is not excessive for an average villager.

It is hoped that the improved design emanating from the study will be extensively tried at many places. Only by extensive trials in various regions, will it be possible to determine further improvements that might be necessary to suit these regions.

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# JOURNEY THROUGH MYSORE

( BY SATISH CHANDRA DAS GUPTA )

I arrived at Bangalore on the morning of the 13th January. There was to be a meeting of the State Khadi Board. At the meeting I was requested to speak. I spoke on match and on spinning researches. The Deputy Registrar of Co-operatives on behalf of the Khadi Commission was there as a member. He spoke about our matches comparatively with other matches. This gave me an opportunity to explain the features of our matches and showed samples and demonstrated that the boxes were good and well shaped, they were strong, the sticks burnt longer and were unbreakable against the defects which were obvious namely, the sticks were of different thicknesses, the colour was not that of wood etc. It was pointed out that it had the great virtue of providing employment 1 : 20 as compared with automatic machine product and 1:2 as compared with hand-made matches with wood veneers and splints.

I requested Shri Hallikeriji to put me in contact with the chief conservator of forests. He was out of town. So was Shrimati Lilavati, the Deputy Minister, Village Industries. It was arranged that in the absence of the chief conservator the Technical Assistant to the conservator would do and instead of his coming to me it would suit me better to see his office for certain

information on sources of supply of forest bamboo in the State.

We saw the Technical Officer and obtained the necessary informations as also clarified certain points, certain difficulties raised by some rangers about the utilisation of bamboo in the forest by employing villagers and also about export of raw bamboo.

## Perennial Supply

From the Chart below it will be found that only one area on the Western Ghats of the Bombay State consisting 68,000 acres can supply practically the entire match needs of Bamboo for the whole of India. This is the Gangavalli Catchment area. Another area along the same Western Ghats in Bombay State, the Mangod forests of the East Kanara Forest Division consisting of 1,13,000 acres, can supply 55,000 tons annually. It should be noted that the available supply is based on provision of perpetual supply and on cutting of one-fifth of the clumps every year. The acreage is divided into 5 rotational compartments, each compartment being cut one year to ensure a perpetual supply.

The Chart is taken from the Indian Forest Records Vol. I Part V. The surveys were made for estimating the possible sources of bamboo for location of paper mills to be worked with bamboo pulp.



## Indian Forest Records

## Vol. IV

Locality	Area from which bamboos can be exploited, in acres	Approximate yield per acre in tons	Approximate annual sustai- ned yield
<b>Bombay</b>			
1. The Gangavalli Catchment area in the West & East Kanara Forest Divisions	1st Class area 38,643 2nd Class area 30,080 <hr/> 68,723	1st Class area 5.3 2nd Class area 0.88	40,321
2. The Kala Nadi Cat- chment area in the West & North Kanara Forest Divisions	Valley forests 20,374 Grand forests 7,000 <hr/> 27,374	Valley forests 1st class 5.3 2nd class 0.88 Gund forests 12.9	32,107
3. The Mongad forests of the E. Kanara Forest Divisions	1,13,000	2.2	55,028
<b>Madras</b>			
1. The Upp. & Putter forest of South Kanara Division	35,798	2.9	17,051
2. Kanoth Bamboo area/N. M. Div.	3,000	13.2	7,980
3. Nilambur & Amrampalam Bamboo areas of S. Malabar Divisions	9,280	10.9	17,676

Working on a 5 year rotation in tons.  
The yield will be nearly twice in 3 year  
rotation.

Mill. Information recorded in the Report  
of the Indian Tariff Board on paper and  
paper pulp industries 1938 is given below :

**Bamboo For Paper Mills**

An enquiry was instituted for surveying  
the possibility of the supply of Bamboo for  
paper requirement for the Indian Paper

"Both the Tariff Board of 1925 and the  
Tariff Board of 1931 found that the  
supplies of bamboo in areas where the  
other conditions were favourable for



exploitation were sufficient to meet the needs of all the paper mills in India and to leave a surplus from which an export trade in pulp could be developed. Apart from Assam and Chittagong, seven areas were specified as having been subjected to regular survey, one in Orissa, two in Madras and one in Bombay, from which the estimated yield of bamboo was 2,91,000 tons, and three in Burma from which the estimated yield was 16,61,000 tons.

In Mysore there are bamboos in forests and there are workers in the forest villages to take up splint veneer making work. By a happy combination, supplies of splints and veneers can be organised from Mysore to satisfy any demand.

### Mysore Diary

The cost of bamboo at Heggddevankote is as follows :

Bamboo royalty per 100	Rs. 8
Cutting charge per 100	Rs. 10
Transport from forest	
to locality	Rs. 12
	<hr/>
	Rs. 30 per 100

These bamboos are 15' to 16' cut ends. The upper portion is left in the forest as long length are not transportable and if cut, the forest officers, it was said, will count every piece as one separate bamboo. This was for export purposes. For use within the area, cut pieces however are allowed. We did not know. Fifty pieces cost here Rs. 15. The weight of each piece is 55 lbs. or 27 seers,  $1\frac{1}{2}$  bamboo goes to

make one maund. The Cost of  $1\frac{1}{2}$  bamboo is 7.2 annas per maund yielding 10 gross. Subsequently we learnt that we could get the whole bamboo for local use at the same price. We shall get them nearly 1 maund bamboo for five annas, yielding 10 gross. This brings bamboo cost to  $\frac{1}{2}$  anna per gross.

At Heggddevankote which is the headquarters of the Block Development Officer, we have hired a very small room. Within the Tehsil Headquarter there is no room available, although there are hundreds of families. Byron Kupee Manantadi is the last point in the State boundary between Mysore and Kerala. All buses pass through Heggddevankote although it means 2 miles detour from the main road. Heggddevankote is 32 miles from Mysore. Two buses go to the West and two buses come from the West daily.

Cycling is not known. Cycles enrage wild animals and provoke them to attack. Conveyance is the bus or one has to walk. There is the bullock cart for haulage and tongas for passenger conveyance, but drawn by bullocks for short distances.

### No Cottage Industry

The people of Heggddevankote has agriculture as the main occupation. There is very little of cottage industry. For carpentry and smithy work even there is lack of professionals. A simple slicer cannot be made or repaired. There are pucca houses, but most of the houses have lock tile roofs or are thatched. Bamboo for household use does not cost: one gets to the nearest clump and cuts the needed quantity and this has



been accepted as the privilege of the forest township dwellers. For sending out of the forest area one has to pass check posts where the Government payment receipt is checked with the number carried.

The people of the township having agriculture as their sole occupation and no industries live an easy life. Strong young men are found idling away their time. The more enterprising people go to mysore for earning wages. People, both men and women, are well dressed. In this township, the urge to earn a little by household occupation does not appear to exist. Therefore, our efforts are regarded as objects of curiosity only for adult males and females, Boys and girls come for T. T. T. Camp training. So far 8 of them are regularly receiving training for these 3 weeks.\*Some have been asked to leave because they are matriculates and are not likely to remain in the village. Some educated girls also come up but they also are seekers of careers.

The present body of boys and girls eight in number are earning about 3 annas daily by their labour. On questioning them I learnt that if they are given equipment to work they could easily earn 12 annas in the family by their off time labour.

### **Trek In The Forest**

Our place of work is not good. It is on the first floor of a pucca building, the only place available. It is necessary to build hut, thatched roof and mat walls on Government land to be given by the tahsildar with municipal permission to build. The township has a municipality. I went to this

place on 14-1-1959 and the Deputy Director of Industries and Shri T. V. Srirangachar joined me later. We left for the interior forest station accompanied by Shri T. Raghavaiah, B. D. O., Heggdddevankote, Shri M. T. Kanpararajulu, Tahsildar, Shri Ahmed Khan, Deputy Director of Industries, Shri Muddulingaiah, Superintendent of Industries, Shri Javari Gouda, Village level Worker, C. P. A., Shri Lakshmipate, Agricultural Ex-Co-operative Officer, Shri Gurumullappa, Supervisor Industries, Shri K. Luigappa, Member Block Development Committee Shri Mohan, Ranger, Begur Forest, and Shri Ullappa Ranger, Kakankote.

Earlier in the day the Sub-Divisional Officer. Forests, had met me at Heggdddevankote and had promised all help to make the splint and veneer making endeavour succeed.

### **Begur**

Begur is a village on a branch road which branches off from the main road and has the forest ranger's office.

The ranger is the most important person here. He is an enthusiast and desires the local people to take to some industry for additional income. Agriculture and bamboo cutting are the main occupations. But bamboo cutting is done by kurbars who do not live in any village together. They live each family by itself separated by long distances. Their common social tie is centred round their diety controlling large forest areas.

The ranger has by his efforts established colony of 40 families of Kurubars at one



end of Begur village. This is claimed to be something new as the Kurubars are said to be averse to leave their single family hutments. The ranger explained that it was in the interest of the preservation of forest that he had exerted and induced the Kurubars to come together by offering various facilities. The group has come with their deity and formed a colony and are taking to usual village life and taking to cultivation. The ranger is providing clearing lands to them from the Tahsildar for settling down to cultivation.

I was curious to know why he was so keen to wean away the Kurubars from their forest life and making them villager-agriculturists. He explained that he was doing this in the interest of the preservation of forest which is his one passion and duty.

### **The Kurubars**

These Kurubars are of two sects. One sect's occupation is honey collection. They are idle, but very active on the call of the moment. As soon as they sight a honey comb they immediately set about felling the tree. The tree comes down honey comb and all and they gather honey and wax. They are, in his opinion, so idle and would not take the trouble of smoking the bees off and climb the tree. The tree however valuable it be as a source of timber, has no value to them. And they find it easier to cut down the tree rather than take the trouble of climbing. Whatever be the real position with the Kurubars, they were gall and poison to the forest ranger on account of their deprada-

tions on timber trees.

The other sect of the Kurubars are tree fellers and bamboo extractors. These people destroy trees equally cruelly and almost wantonly. He cited one example of the callousness of the wood Kurubars to tree life. They hunt and eat flesh of animals. A big monkey is seen somewhere on a tree, the Kurubars surround the area and make the monkey to take shelter in the tallest tree. Keeping the monkey perched on the head of the tree where he believes himself to be comparatively secure, the Kurubars begin felling the surrounding trees to which the monkey could jump to escape. As the felling proceeds the monkey remains isolated in the solitary tall tree which is next felled. The monkey is immediately killed providing meat to the toiling Kurubars to whom tree felling is merely a past time. It might have been a valuable cluster of timber trees, They are felled without consideration for the sake of a single monkey.

The ranger thought that the menace to valuable forest trees was very great from the kurubars. This necessity led him to make friends with them and persuade them to take to agricultural life. Their occupation as bamboo cutters was also not free from dishonesty. They look alike. A contractor takes hold of a person to cut bamboos. So much advance is demanded and paid. But where is he? No man answers to that name. When asked where was the man who had taken advance from him, woefully they would point to a very distant tillah or high inaccessible place where he was supposed to live. But really the person who is talked to may have been



the same individual who had taken the advance. Under the guidance of the forester this is becoming rare and as has been mentioned above a section of them comprising of 40 families has taken to settled village life.

He mentioned that these people have a right to the wood and bamboo they require. Therefore, they would be allowed to collect bamboo free of themselves. A group of these Kurubars had by that time collected there who expressed the desire to have match split and veneer making in their colony as a home occupation.

### Byron Kupee

The Byron Kupee people were found to be busy erecting the match workers training shed as their voluntary contribution for inviting the cottage match splints-veneer making industry. They knew all about it from the Tahsildar, the Assistant Director of Industries and the Ranger and also from the Development Officer of the Commission, Shri Kurup.

We spent an hour talking to them. The bamboo cost would be the cost of the royalty for the bamboo in full length. We found 35 ft. long bamboos being used, the weight of which might be anything between a maund and maund and a half. The cost would be :—

Royalty	Rs. 8
Cutting and Clearing	Rs. 10
Per 100 mds.	Rs. 18

which would be over 100 maunds. The cost would be less than three annas per maund. The splint-veneers might cost  $\frac{1}{2}$  anna or  $\frac{1}{3}$  anna per gross. We may for our purposes take it that bamboo would be at the utmost half anna per gross.

There would be additional transport charges for tapioca and blue paper to be brought in and for transport of the finished splint veneer which would have to travel about 60 miles over trucks to be brought to the Rail head. A hundred gross is likely to weigh 4 maunds. Transport charge by motor truck would be 12 annas per maund and Railway freight for 500 miles would be about Rs.  $\frac{2}{8}$  per maund. For Bombay, 700 miles, it would be about Rs. 3 per maund. Total Rs.  $\frac{3}{12}$  per maund. At 4 mds. of 100 gross the transport cost would come to Rs.  $\frac{3}{12}$  per maund or say Rs. 4 per maund with packing charges. This will mean Rs. 16 per 100 gross of 4 maunds.

### The Cost Factor

The delivered cost would, therefore, be for 100 gross Rs. 16 or  $2\frac{1}{2}$  annas per gross. Against a bamboo saving of  $4\frac{1}{2}$  annas the extra transport cost would be Rs. 10 for outgoing transport and Re. 1 for incoming transport, that is, a total of Rs. 17 or  $2\frac{3}{4}$  annas per gross.

The final costing will then stand thus :

Bombay South	
Scheduled cost of splint-veneers per gross.	0-11-0
Less for cheaper bamboo	0- 4-6
	<hr/> 0- 6-6



Cost of splint-veneer in forest village. 0- 6-6 0-6-6

Add additional transport for 700 miles. 0- 2-9 0-1-6  
0- 9-3 0-8-0

**Add :**

The manufacturing unit would like to keep a margin of one anna per gross for indirect and other charges. 0- 1-0 0-1-0

Delivered cost ... 0-10-3 0-9-0

or for 100 gross it would be Rs. 60 to Rs. 61 according to distances. It would say, reach at the scheduled cost of Re. 0-11-0. For the northern factory via Bangalore and Poona the distance would be 700 miles and would cost about Re. 0-11-0 per gross,

But for nearer areas as at Sivakasi, the cost would be less. Byron Kupee is situated nearly equidistant from Mysore and Calicut. The motor truck distance between Byron Kupee and Mysore is 56 miles, whereas between Byron Kupee and Calicut the distance would be about 60 miles. Transport per maund would be about :

$$9 \text{ annas} \times 4 = 2/4$$

$$\text{Rly. 300 miles } 1/8 \text{ anna} \times 4 = 6/-$$

$$\frac{8}{4} \text{ per 100}$$

If properly made and delivered it would come out one anna cheaper per gross at Sivakasi than the wood splints and veneers.

The other suggested forest splint-veneer centres are Mitchra, Kankankote, Banjim, Honsur besides Heggdevankote, Begur and Byron Kupee.

Freight rates by goods for splints and veneers :

Miles	Rs. nP. per maund
100	0.63
200	1.09
300	1.53
400	1.93
500	2.34
600	2.65
700	2.98
800	3.30
900	3.60
1,000	3.89

As per rule No. 77/5B of goods Tariff.

**Sarugur**

Sarugur is a big township. We were taken there on the 15th noon. The Chairman of the municipality was very keen to have a match centre there. The place is on the Kapini river. It is some distance away from Begur. The problems were the same. The costs would nearly be the same. In place of Rs. 18 per 100 at begur and Byron Kupee, the cost of 100 bamboos of the same weight is likely to be about Rs. 25 per hundred and within the range of  $\frac{1}{2}$  anna per gross.

We gave him the conditions to be fulfilled for starting a T. T. T. camp. We insisted that 60 to 70 families should come forward to learn the work and earn at the rate of  $1\frac{1}{2}$  annas per hour or annas twelve per 8 hours of joint work in the family. But the condition is that each registered family should strive to earn twelve annas. Our supervisors by their continuous work would prove that it is easily possible to earn 12 annas in 8 hours or  $1\frac{1}{2}$  annas per hour. The Chairman was full of enthusiasm for the prospect of the industry of making splints and veneers



## LETTERS TO THE EDITOR :

# THE FORGOTTEN VALUES

As with all our saints, philosophy was to Gandhiji both a science and an art of life. To be more accurate, it was more an art rather than a science. In fact, art came first to him, and its science developed later on. He actually tried to live the life he thought worth living and, waited to have a glimpse of a better one. The Kindly Light showed him one step. It was enough for him. He walked that path and patiently awaited the glimpse of the next one. In this way he moved on, from step to step, from peak to peak, till he could scale the summit of life and have the pleasure and privilege and the bliss supreme of enjoying the blessed panorama of the whole life, both individual as well as social. Thus Gandhiji became supremely well qualified to guide us all, especially our young men along the path of life.

Gandhiji began with his attempt at realising relative truth, the truth in thought, word and deed and ended with his attempt at realising Absolute Truth – God – in life. worshipped Truth as God in the beginning and God as Truth at the end. He realised the same in life and preached it through word and deed through his very life.

Our youths today are "at the parting of ways". We are out to build a Sarvodaya Social Order. We have already realised

that "the aims of Sarvodaya cannot be achieved by a mere reorganisation of the economic and political structure of society. They can be realised only through a patient and ceaseless process of education and persuasion that aims at bringing about a radical revolution in the outlook and values of individuals, who are to be the very foundation of the new society. Life in such a society will not be one sided, but integrated and whole so that work, art and play will form a unified pattern making possible the growth of integrated human personality."

Such being our ideal, the education we propose to impart to our budding future leaders in our Vidyalaya should inculcate a living faith and devotion to God as well as a passionate loyalty for the Sarvodaya ideal for which a proper philosophy and pattern of life would have to be evolved by example and precept. As long ago as in 1948 our revered Babaji (Acharya Vinoba Bhave) has tried, in his opening address of Sarvodaya Exhibition at Jaipur to bring home to us with great pain how "we have been fast losing all that we have gained so far. We have not been thinking of performing fresh penance. We have been simply trading on the old one. Our desire for material happiness has been growing.



Jealousy has become a ruling passion and scant attention is being paid to truth." These tendencies have been increasing since then and have been undermining the solidarity and strength of our nation. It is high time that we should devise ways and means to check them and try to nip them in the bud if possible.

The more we think about this problem - which is the supreme problem of the day - we realise that a herculean effort needs to be made to inculcate the following triple philosophy of Bapuji (Gandhiji) among the youths of our nation, viz ;

- i) the philosophy of God - realisation,
- ii) the philosophy of Universal Harmony, and
- iii) the philosophy of Sarvodaya, as developed by Shri Vinobaji.

The first will supply the foundation, the second, the superstructure and the last, the crest of a noble life. We cannot hope

to make any progress on the right path unless we lay a firm foundation of the right ideals in the young minds by teaching and preaching the above - mentioned philosophy in our schools and colleges as well as from the press and the platform. Therefore, I would strongly urge the imperative need of including the same, especially in the syllabus of our Vidyalayas and Maha-Vidyalayas. We must encourage a deep and a systematic study of this subject so that it might supply a proper background for our thought. The time has come when the present thought current of the world requires to be confronted and counteracted with a better and more powerfully beneficent one. This needs a basic philosophy for its success. Unless we develop that we may also at critical periods find ourselves in a doubting and vacillating state of mind. That must be avoided at all costs.

— M. S. Deshpande.

## THE NEW TURN IN KHADI WORK

A new turn was given to Khadi movement when Gandhiji placed his views before the constructive workers after his release from prison in September, 1944. He advised them to devote their energies in organising Khadi work in the seven lakh villages of our country. Gandhiji said that if the Akhil Bharat Charkha Sangh took its roots in every home and every village plied the Spinning wheel, no power of the alien Government could destroy Khadi.

### New Momentum

Khadi work got a new momentum with this message of Gandhiji. The activities of the Charkha Sangh were decentralised and 'Katai Mandals' were organised to augment

Khadi work everywhere. More emphasis was laid on Vastra-Swavalamban than on the production of commercial Khadi. In due course new institutions were organised in many centres with the State aid made available for the expansion and development of Khadi work. The Akhil Bharat Charkha Sangh then merged with the Akhil Bharat Sarva Seva Sangh.

With the financial assistance received from the All India Khadi and Village Industries Board and the Khadi Commission, the Khadi institutions expanded their resources and activities, with the result that the production of commercial Khadi has increased from one crore of rupees to



over ten crores within a period of five years. Similarly there has been a tremendous increase in the number of artisans and workers engaged in Khadi work. But the main question which faces the Khadi workers to-day is whether the ideology of Khadi has gained in strength and how far it is taking firm roots among the masses.

### **Village Unit**

Faced with this problem, the workers who are associated with Gandhian philosophy and are engaged in the task of reconstruction of the country on the basis of 'Gram Swaraj', have come to the definite conclusion that time has now come when every village should be made an independent unit, self-sufficient in regard to the primary needs of life. They would, no doubt, be dependent on other villages for many things; but this dependence should be reduced to the minimum. The more the villages will be self-sufficient, the more they will be prosperous, and the atmosphere for the all-round development of the country will be built up.

It was with these views in mind that the constructive workers, including those of Khadi and Village Industries Commission, resolved in their Conference in Chalisgaon to give a renewed momentum to Khadi-work on the basis of every village taken as a unit and the principle of self-sufficiency. This was necessary, they agreed, to usher in Gram-Swaraj.

### **Lead From Chalisgaon**

The workers engaged in Khadi-work find that they come in contact with hardly

10 per cent of the population of the villages for they deal only with the spinners and the weavers. This contact too is of a commercial nature. With new lead accepted in Chalisgaon, we should endeavour to seek the co-operation of the entire village population, as Khadi-work is vitally concerned with every villager and his well-being.

The ideas of economic reconstruction enunciated by Gandhiji are being carried further by Vinobaji who had declared very clearly that the economic emancipation of the villages lay in the development of Khadi and village industries. With the advent of the Gramdan movement initiated by Vinobaji, the Khadi-workers have got a new lead and a new vista has been opened for them to organise Khadi work on re-oriented lines. Above all, they have a clear picture of the work that lies ahead of them.

### **Uphill Task**

To usher in Gram-Swavalamban or village self-sufficiency is an uphill task which would require a band of selfless, devoted workers having un-swerving faith in the principles underlying this philosophy. They would be required to throw their lot with the villagers and identify their life with theirs with a missionary zeal. It is expected of the workers and the institutions already engaged in Khadi-work that they would divert their energies in this new direction to put into practice the resolutions of the Akhil Bharat Sarva Seva Sangh and follow the lead given by the reconstituted Khadi Gramodyog Samiti of the Sangh.

— Udaichand

## **NEED FOR A SMOKELESS CHULA**

Smoke nuisance is a health hazard. Smoke emanating from different sources deposits many tons of soot per square mile

resulting in a huge loss of fuel. Besides, smoke increases fog, reduces sunlight and thus makes the environment detrimental



to health. Also, it causes serious damage to buildings.

Accordingly, if we think of the damage caused by the constant presence of smoke inside village homes, the situation may be much worse, particularly for the health of the housewives and children who are mostly within doors.

The misery of cooking on open smoky chulas has become part and parcel of the daily routine of Indian families. It has been estimated that over a 100 million women spend a quarter of their lives in gloomy and miserable kitchens. The system of cooking meals twice or thrice a day in every house is a common feature in our country. This results in chocking up the unhygienic kitchen and the adjoining living apartments of the house with thick layers of smoke due to burning of cow-dung cakes and firewood. The need for introducing an efficient type of smokeless chula in every household to eliminate the smoke problem does not, therefore, require any new emphasis.

There is already a great shortage of firewood in the country and some economy in this direction could be effected if the unscientific method of burning fuel could be discouraged. This will in turn save considerable quantity of cow-dung which is at present being used as fuel to make up for the shortage of firewood, and for use as manure to the impoverished soil thereby increasing agricultural output.

By adopting an efficient system to eliminate smoke from village homes, it will be possible not only to solve the problem

of health and housing, but also of fuel and forest economy. A scientific study was thus needed to find out ways and means to solve these problems.

Some people advocated, providing the chula with an arch and (flue) to remove smoke from the kitchens. This was rather difficult to do in kutcha village homes. Moreover, it was expensive. Besides, such an arrangement was not free from serious defect, Because the soot deposited in the arch and the insects harboured by the flue dropped into kitchen pots;

To overcome these shortcomings, various workers interested in this field evolved a number of designs of smokeless chulas and recommended their general adoption. Unfortunately, most of these agencies who made such recommendation did not support their results with scientific experimentation. In other words, no scientific data was made available to enable one to determine with certainty their usefulness.

While such ad-hoc trials of various designs of smokeless chulas were in progress in different parts of the country, in Uttar Pradesh, it was decided to conduct scientific studies in this connection, at the Extension cum-Training Centre, Bakshi Ka Talab in Lucknow district. The object was to study more closely the comparative merits of all different designs of smokeless chulas and on the basis of those results, it was proposed to evolve a better and simpler design of smokeless chula.

For the purpose of these experiments, the design of smokeless chulas already known and whose specifications were



available, were collected. The designs collected thus for experimentation are listed below :

1. Raju Chula
2. Mysore Type
3. Etawah Type
4. Magan Chula
5. Bulandshahr type
6. Agra type
7. Pratapgarh type
8. Hill type
9. Bakshi-ka-Talab Chula

The criteria fixed for determining the best type of chula were

- i. that the chula should have a simple design with not more than two pot seats,
- ii. it must be smokeless, i. e., the smoke emanating by burning fuel should readily find an exit,
- iii. the construction should be simple for general adoption in every village home
- iv. the material required for its construction should be locally available,
- v. the cleaning of the chula should be easy, and so on.

Special arrangements were made of Bakshi-ka-Talab Training Centre for carrying out trials with the different types of chula mentioned above. All these types of chulas were carefully constructed strictly according to specifications and designs recommended by the respective designers and their comparative efficiency were determined through a series of experiments.

After the series of experiments conducted at the Centre, two workable designs found best were picked up for final experimentation at the Planning

Research and Action Institute, Lucknow to select the best one for adoption in the villages of Uttar Pradesh. The results of further trials conducted at the institute revealed that the Bakshi-Ka-Talab Chula was the best for economical consumption of fuel and for the recovery of maximum heat for cooking. This type of chula, after necessary adjustment and modification, fulfilled all the requirements and, therefore, was thought suitable for general adoption.

The construction of this chula is simple. Two dampers have been provided in it for regulating and controlling heat. One of the dampers is perforated so that no difficulty arises in the exit of the smoke through the chimney. The chimney is made of baked tiles prepared by an ordinary potter. The total cost of construction of the chula along with chimney comes to Rs. 3.32 only. If constructed with the help of a mould the cost could be reduced further to Rs. 2.78.

It is hoped that the extensive use of such a chula will bring relief to the women-folk and help in having a neat and smokeless kitchen in each and every village home.

In the end, it may be pointed out that Bakshi-Ka-Talab type of chula is only a beginning in this field and further experiments need to be continued to bring out more and more improvements in this direction. But experiments carried out to evolve this improved type of chula, has, however, indicated the importance of scientific research on such problems which, though appear to be so minor in nature, can go a long way towards improvement of village homes and their environments.

— C. V. H.



## BOOK REVIEWS:

**Ambar Parichaya** By Shri Chinubhai G. Shah : Published by Saurashtra Khadi Gramodyog Mandal, Rajkot  
Pages: 92; Price: Re. 1.

'Ambar Parichaya' is a lucid exposition on Ambar Charkha its techniques, and ideology of the Ambar programme. Very easily assimilable material on the pre-requisites of Ambar spinning has been given by the author in the first few chapters of the book. He has described the manipulation of the set in a manner which can be easily followed even by a novice. All the processes and the mechanical adjustments of the Charkha have been dealt with great clarity and in a simple, matter-of-fact manner. Technical details of Ambar calculations have been made easy by simple presentation and the two chapters dealing with Ambar technology facilitate a complete grasp of the little tool that is doing a big service to the country. These chapters should particularly be of interest to the spinner and instructor alike.

The scientific principles of Ambar spinning have been dealt with by the author in an interesting and instructive manner. He has made this difficult chapter a pleasurable reading.

The variety of sumptuous fare furnished in the form of tables and statistical information will surely find favour with the Parishramalayas and institutions imparting instructions in Ambar work. Reading through "Ambar Parichaya" the book breathes in

every page the work of an expert hand and it should be a useful guide to the reader as well as to those who work on the Ambar Set. To those who co-operate the Charkha at home, it is a valuable companion, for it provides solutions for most of the difficulties the spinner experiences ordinarily.

Besides the technical details and guidance to the operator, the book contains authentic information about research work carried out to test Ambar yarn and information about the different varieties of cotton.

The concluding chapters aptly try to inculcate the true Gandhian ideology in the reader. On the whole, "Ambar Parichaya" is a commendable effort and, as the name suggests, is a reliable guide to the Ambar spinner.

Since "Ambar Parichaya" was published in Gujarati, it has been revised and an enlarged Hindi edition has been published by the Khadi and Village Industries Commission. This enlarged edition incorporates the latest research results and experiments and introduces the reader to the Samyukta Ambar which combines the Belni and the spinning spindles in one unit. The Hindi edition also deals with Kachi Katai and explains the processes involved in it. "Ambar" which is the title under which the Hindi book is published, is an indispensable companion to the spinner, Karyakarta, Acharya and to all those who would like to have a comprehensive understanding of Ambar



Charkha which is working out a silent socio-economic revolution in the countryside

- N.R.

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**Vastra Vidya** (Marathi) By D. S. Darekar and W. D. Patki; published by Samyukta Sahitya, Laxmi Road, Poona-2. pages : 336-8; Price : Rs. 5.50.

Here is a book containing A to Z information about the traditional Khadi industry and is certain to prove of inestimable value to teachers and students in basic schools. Need for such publications has arisen with the rapid expansion of the village industries movement resulting in an increased need for trained field workers. Experience has been witness to the fact that academic and technical training imparted in the existing schools and colleges had little relevance to the actual needs of the life and economy of Rural India. Thus *Vastra Vidya* is an answer to a problem. It forms a part of the syllabus prescribed for institutions imparting basic education, a system evolved by Gandhiji to provide to the village trainees in particular, what he termed, "Education for Life".

It fills a lacuna in Khadi literature especially in an important regional language like Marathi. The writers deserve encomiums for making a distinct contribution to the dictionary of village industries movement, by coining suitable Marathi equivalents to technical terms in usage in the Khadi industry.

The co-authors of this valuable book are

on the staff of the Graduates' Basic Training Centre, Dhulia in West Khandesh District (Bombay State). Shri Dattatraya Sakharan Darekar is a professor and Shri Wama Devidas Patki works as a craft Instructor in this centre.

**Vastra - Vidya :** Literally meaning "Knowledge About Cloth," gives in its 300 and odd pages, a detailed account of the birth of cotton, its varieties, the hand processes of ginning, carding, drafting, spinning, weaving etc. In the beginning is given a description of the different kinds of fibres and growing of cotton in India. The tables on pages 13 to 25 provide almost exhaustive informative material about the centres carrying on research into cotton in the different States of India, besides types of cotton, staple lengths, count of yarn, etc.

Pages 26 and 28 contain a discussion about the relative merits of long-staple and short-staple cotton. Value of *Dev-Kapas* is emphasized in the context of the growing accent in Khadi Industry on self-sufficiency in cloth requirements on individual, family and village basis. There is information about imported cotton, too. The authors have pleaded for conducting research into cotton by 200 and odd Khadi Ashrams in India.

The chapters on "Kisan Charkha", "Peti Charkha" and "Bamboo Charkha" can be said to give complete information about these different types of spinning wheels. In spite of the fact that to-day Ambar Charkha is being propagated on a vast scale as a national programme, there is no gainsaying that the traditional spinning wheel continues to hold its own in



several areas in the country. Thus, this detailed discussion about the different types of spinning wheels is essential from the point of view of training village workers.

As training in handspinning and hand weaving is being laid on systematic foundations, mathematical calculations regarding every process have been fixed. They have been given in details. These include calculating the count of yarn, the average count of yarn where a number of spinners are concerned and the strength and twist of the yarn. There is also analysis about how the cost of Khadi is fixed.

The book also deals with handloom weaving.

The last chapter—Number Five—may be said to be a fitting finale to the valuable discussion contained in the previous pages. It will help to correct a wrong and widespread impression that Charkha and the hand-spun and hand-woven cloth (Khadi) are of recent origin, something which saw the light of the day with the emergence of Gandhiji. The discussion shows that all cloth was Khadi until the birth of the textile mill industry. The chapter also narrates the tragic downfall of the traditional Indian textile industry from its high eminence. There is convincing evidence of how the British tariff policy resulted in the decline of this ancient craft of this ancient land. Statistical evidence marshalled in this chapter shows that in some cases, the duties ranged from 600 per cent to 3,000 per cent. A demonstrable evidence of this was reflected in the shockingly steep rise of imports of

English goods into this country from Rs. 2,340 to Rs. 33,360 within 20 years (1794 to 1813)

Then is given a brief account of how the Khadi movement advanced side by side with the national freedom struggle, and how charkha came to be looked upon as a symbol of India's fight for freedom.

At the end is given the Government approved syllabus for different standards of a basic school.

Thus the book is a 'must' for all Khadi workers.

— P. V. W.

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**Hatmag Ani**

By Raghunath Koshti ;

**Kapad Dhandha**  
(Marathi)

Pages 13; One Anna.

This is a small pamphlet dealing with the handloom weaving industry in all its facets : The author who is Editor of *Lokmat* of Nasik, has a solution for every problem of this sector. And most of the solutions are simple, at least as far as the author is concerned. He is a protagonist of a policy of decentralisation. He will have either nothing or everything. Not for him any half-way house.

He wants all textile mills, even power-looms to go out of commission. He is ready to suffer these 'necessary evils' for the transitional period of 10 to 15 years.

It is difficult, almost impossible, to disagree with him that work must be provided to a crore of weavers to save them from starvation and sub-human existence. But Shri Koshti will not be satisfied with a mere policy of non-expansion in the present capacity of mill and powerloom sectors and aid for handloom sector. He wants to go the full hog and see only handlooms thriving and clothing this nation of 37



crore people.

He, however, feels the need for stepping up the present productivity of the handloom by two to two and a half times, if it is to play the role he has visualized for it in the national textile industry. He has suggested invention of a handloom with a daily capacity of weaving 12 to 15 yards. Under this plan, at least 25 lakh handlooms will be in operation, resulting in an annual production of 840 crore yards.

The author does not see any "method" in the Government's policy of simultaneously aiding mill, powerloom and handloom sectors and also spending a large sum on the propagation of the Ambar Charkha Programme. Obviously, according to him, there is an inherent conflict in this government policy. He wants the Government to decide once for all either to depend on the mills OR the powerlooms OR the handloom sector.

His suggestions to help the handlooms are :

- i) reinstatement of the rebate of 12 naye Paise in the rupee on handloom cloth ;
- ii) reservation of all dhoti production for the handloom sector ;

These are in addition to interest free-loans towards capital expenditure for handloom weavers.

It must puzzle readers why the author has fought shy of touching the most important factor capable of stabilizing this industry, namely, promotion of hand spinning on the widest possible scale. The reference to Ambar Charkha is casual and cursory. This one omission almost makes this otherwise critical analysis very unrealistic. To aim at stabilising the handloom by making it

dependent on the mills is dangerous unrealistic. A discussion about the potentialities of the Ambar Charkha *vis-a-vis* the handloom would have put the problem in proper perspective.

— P. V. V.

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**Chintana** By Mahatma Bhagwandin  
**ke Kshanon** Published by Akhil Bhar  
**Men:** Sarva Seva Sangh Prakasha  
Rajghat, Kashi; Pages : 9  
Price : Rs.0.50

Personal experiences and observations of eminent saints have always been lodestars of humanity in its path of abstinence, sacrifice and struggle. Gautam Buddha, Jesus Christ, and Mahatma Gandhi have accumulated a fund for the benefit of humanity; their elevating personal experiences and their inspiring sayings and 'Sutras' have laid down the guiding principles of good living and social conduct.

Mahatma Bhagwandin lived the life of a sage for over half a century. He imbibed the Gandhian truths and propagated with earnestness and fervour and created quite a stir in literary circles. The present booklet is a collection of his highly pithy and apparently bizarre observations on life and its emotional strands and strains. Sharp as a razor blade, most of the observations cut to the quick and leave the reader gaping. Sometimes one feels astounded at his apparent audacity ; but, on second thought the truth of the saying dawns on him. The booklet is a jewel to be treasured and translated into life.

— M. R. C.

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**'Drink, Drugs and Gambling':** Published by Navajiva  
Publishing House,  
Ahmedabad.

The one subject which is under loose talk today is about the vices and virtues of



prohibition—a much debated subject since its introduction in national policies of the Indian National Congress. Many carelessly proclaim that it is a thorough failure. To such of them is addressed 'Drink' Drugs and Gambling'.

Edited by Shri Bharatan Kumarappa, the publication brings together Gandhiji's writings and reports of his talks on drink, drugs and gambling. In the volume are included the writings of many others who have spoken with knowledge and authority on the subject. It goes without saying that the booklet presents a forceful plea for Prohibition.

Today Prohibition still meets with opposition and public co-operation which was once so enthusiastic is not as evident. This phenomenon strengthens the hands of anti prohibitionists. Added to this, the failure of efficient implementation of the schemes and possible loss of revenue to the State lends vehemence to the argument of the opponents.

Mahatma Gandhi's view on Prohibition is well pronounced. It is to him a social evil to be uprooted. The revenue to the State weighted less or little compared to to the well being of society that will be brought about through efficient implementation of the scheme. To achieve this end he counted on the support of all communities, private institutions and other parties in the early years of 1920-22. It has become a national policy since then. As Bharatan Kumarappa says in the Editorial Note :

"What he (Gandhiji) hoped to achieve by prohibition, therefore, was not to prevent people from drinking, but to prevent the sale of liquor and drugs, so as to remove the temptation from the way of

addicts. As he repeatedly says helpless victims of drink want to be helped against themselves. They know the evil effects of drink on themselves and the misery and poverty it brings to their families and yet they cannot pass by an open liquor shop without going in and indulging themselves. So he insisted that the Government should close down liquor shops and prohibit sales of liquor."

This is the first phase of prohibition. The next step is to divert the confirmed addicts from drinking by other recreational facilities and educational propaganda on the evil effects of drink. If concerted efforts with the support of all people, public institutions and other parties are made, as in the early years of 1920-22, the results will be encouraging. To scrap prohibition on the score of its alleged failure will be tomfoolery. As Shri C. Rajagopalachari says:

"The argument that laws are ineffective to stop drink is no more sound than an argument that laws cannot altogether stop theft and adultery and therefore let us repeal the Penal Code".  
(Young India 27.1.27)

A careful reading of the collections 'Drink, Drugs and Gambling' will provide an effective answer to anti-prohibitionists.

— G. P. I.

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### STORY OF STANDARDS

**Your Money's Worth and Story of Standards :** Published by the Indian Standards Institution, New Delhi.

The Indian Standards Institution, a national body set up by the joint efforts of the Government of India and Industry for the formulation of standards, has embarked on a campaign to educate the masses on



the advantages of buying products certified by the Institution. The step is timely and, indeed, welcome. Numerous are the products that are put on the market for sale everyday. But few are able to assess the quality or the price of these materials. Spurious articles are passed on as genuine ones because of their attractive finish. Adulteration has become the order of the day. To the majority, shopping has become a headache. It is but rarely that we make a good bargain and when we do, it is by accident. What is the reason? Because we are not sure of the quality or the price. The presumption that higher the price, the better the quality cannot pass muster in these days of mass production. It is more often than not, a commercial stunt to placate the gullible.

To save us from this ordeal, the Indian Standards Institution provides a satisfactory and easy solution in the form of ISI Certification Marks. The stamp of such certification marks, on an article is a sure indication that the article has been checked, tested and found satisfactory by a competent authority. The Certification Marks are issued after thorough check by the ISI inspectors who inspect the raw materials used in the manufacture of an article as also the various processes and finished products. The standards are drawn after collaborative work in technical committee in which experts from the producers, consumers, dealers and research and testing organisation participate.

Some of the products certified by the Institution are described in the pamphlet, 'Your Money's Worth'. These include, aluminium, articles, tea-chest plywood, electric cables and conductors, cement, dry

cell and car batteries, insecticides etc. A brief description of the materials and its use together with a list of the licencees who manufacture those products are given in the pamphlet. The pamphlet introduces the buyer to the ISI certified National Flag, the licencee for which is the Khadi and Gramodyog Bhandar at Bombay.

The absence of a number of consumer articles of daily necessity from the certification of the Institution is incomprehensible. That the Institution has not given much attention to cover many of our daily shopping needs during the eleven years of its existence is indeed, amazing. The Institution should, therefore, take urgent steps to bring under its cover more and more articles of domestic and personal use. Particular attention should be given to tinned food articles and confectionaries.

"The Story of Standards" is a neatly designed folder which explains the evolution of standards from the pre-historic times to the modern Space Age. The achievement of man through the ages to the modern times is interesting and impressive. The attempt of the primitive man who lifted blocks of dried muds to build walls, houses and ramparts led to the origin of pottery making which later on developed into a craft. These and other developments are briefly explained in the folder which makes interesting reading.

-C. V. H.

### A CORRECTION

In the "Readers' Forum" in the Annual Number (October issue) of Khadi Gramodyog, was published a contribution by Shri T. R. Rajagopaln, Assistant Organiser, Thibgaon Intensive Area in Madhya Pradesh, under the heading "Community of the Future". On page 166 of the issue in line 27 the word "deride" was inadvertently printed as decide".



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## MUSIC OF LIFE

"Our education has got to be revolutionised. The brain must be educated through the hand. If I were a poet, I could write poetry on the possibilities of the five fingers. Why should you think that the mind is everything and the hands and feet nothing? Those who do not train their hands, who go through the ordinary rut of education, lack music in their life. All their faculties are not trained. Mere book knowledge does not interest the child so as to hold his attention fully. The brain gets weary of mere words, and the child's mind begins to wander. The hand does the things it ought not to do, the eye sees the things it ought not to see, the ear hears the things it ought not to hear, and they do not do, see and hear respectively, what they ought to. They are not taught to make the right choice and so their education often proves their ruin. An education which does not teach us to discriminate between good and bad, to assimilate the one and eschew the other, is a misnomer".

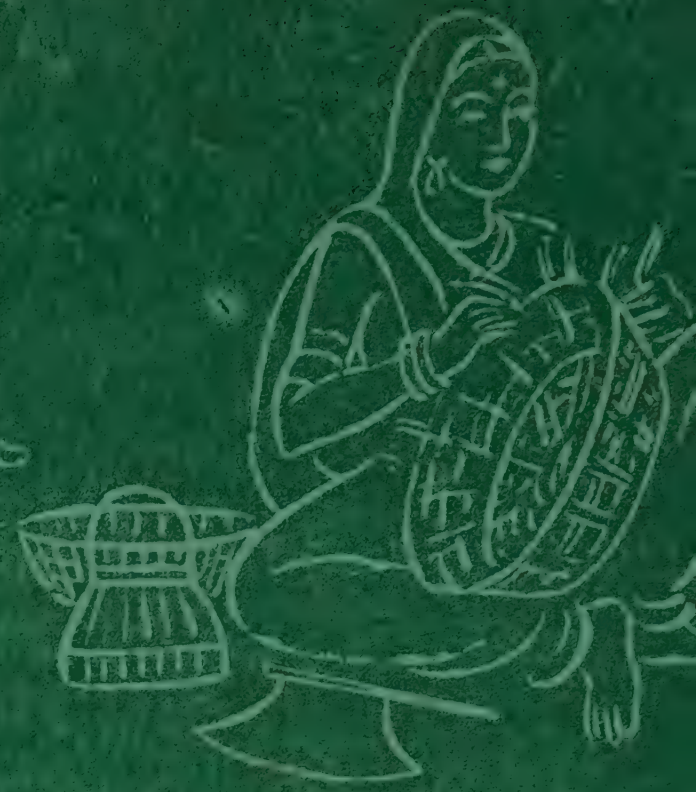
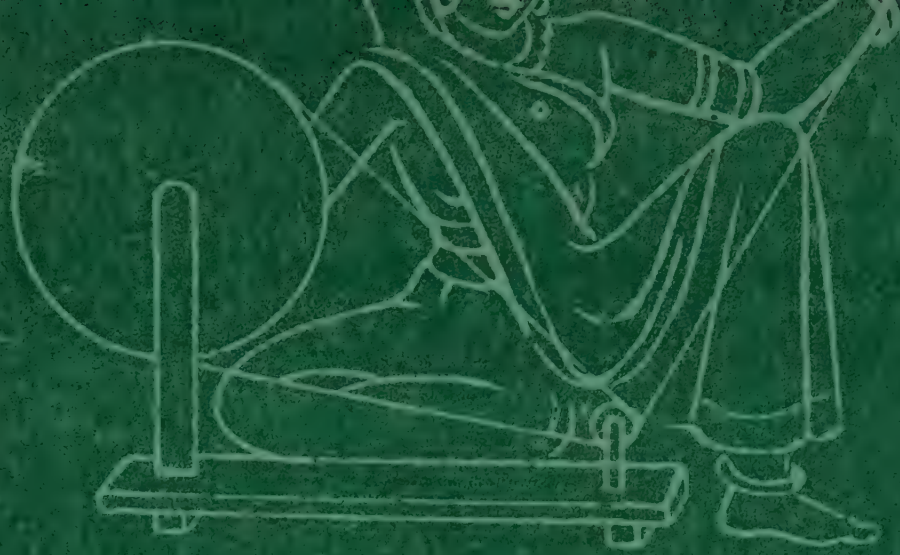
- Gandhiji

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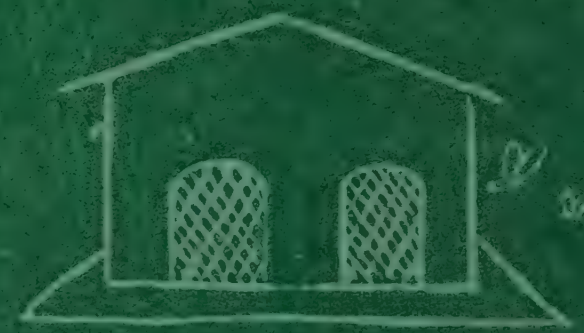
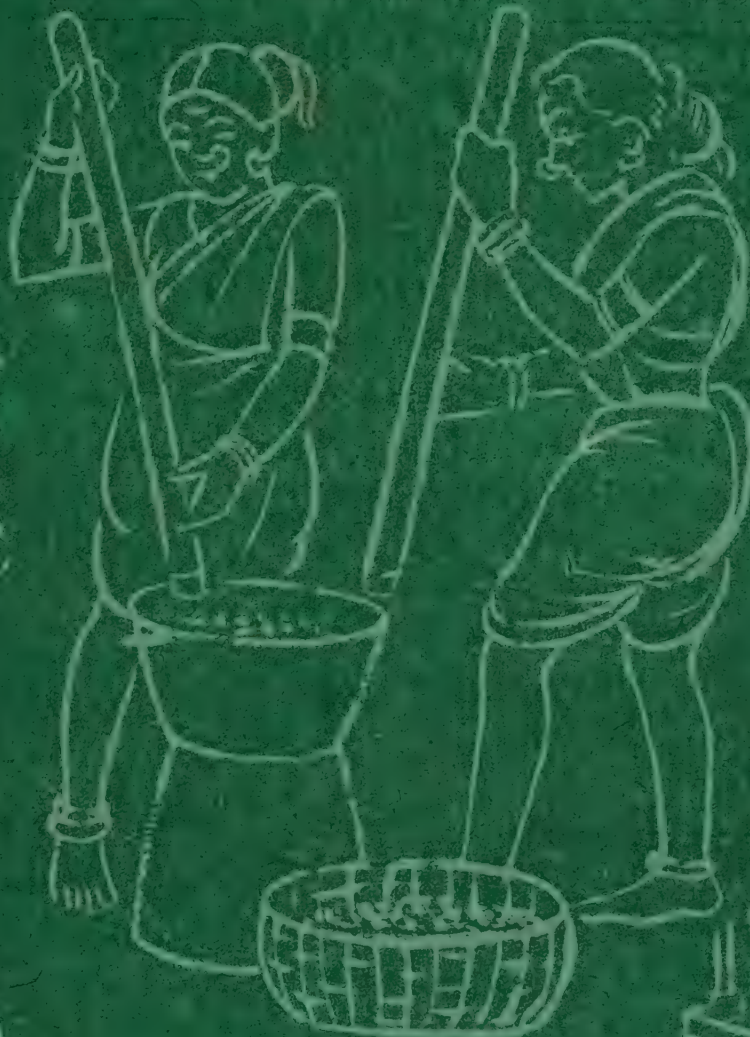
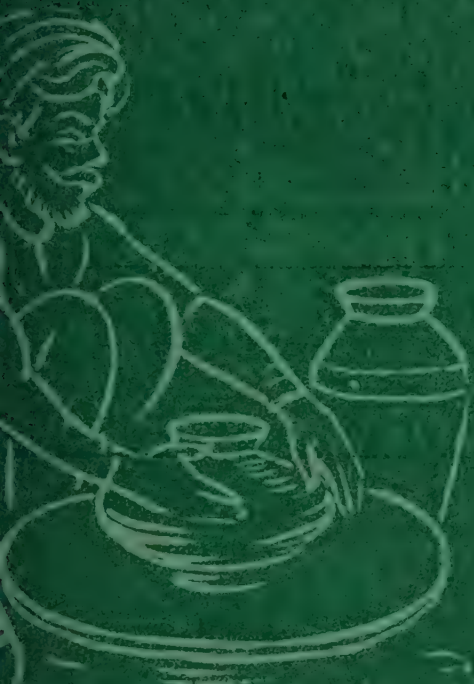




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# KHADI GRAMODYOG



DL. 5

MAY 1959

No.

**KHADI & VILLAGE INDUSTRIES COMMISSION.**  
MISTRY BHAVAN, DINSHA WACHA ROAD, BOMBAY-1.

PRICE: Rs. 0.00



# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

## MEMBERS

- |    |                         |           |
|----|-------------------------|-----------|
| 1  | Shri Vaikunth L. Mehta  | Chairman  |
| 2  | Shri Pranlal S. Kapadia | Secretary |
| 3. | Shri R. Srinivasan      |           |
| 4. | Shri Dwarkanath Lele    |           |

## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of khadi or in the development of village industries, or to provide facilities for a study of the problems relating to khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of khadi or village industries.
  - f. to undertake, assist or encourage the production of khadi or the development of village industries.
  - g. to promote and encourage co-operative efforts among manufacturers of khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.



# KHADI — GRAMODYOG

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## RAOJIBHAI NATHABHAI PATEL

Shri Raojibhai Nathabhai Patel is no more. Death claimed him on 3rd May, 1959, under very tragic circumstances. Shri Raojibhai was admitted in an unconscious condition in the Vadilal Sarabhai Hospital in Ahmedabad following serious head injuries sustained in a terrific bus-jeep collision. It happened on April 27. That evening Shri Vaikunth Mehta was to have unveiled a portrait of the Late Shri Chotalal Vyas, a former President of the Jilla Co-operative Bank, at Nadiad. Shri Raojibhai Patel who had arranged the function, decided to take advantage of Shri Mehta's presence in Ahmedabad to fetch him in person for the function. He, therefore, left Nadiad in a jeep car for Ahmedabad, though Shri Mehta had requested him not to take the trouble and put himself to unnecessary inconvenience.

The jeep had already reached the outskirts of Ahmedabad which was only 12 miles ahead, when a giant State Transport bus speeding along from the opposite direction dashed against the jeep and literally hurled it into a ditch on the roadside and rode

over it. The place of the terrific accident was near Bareja village on the Nadiad-Ahmedabad road. An iron plate struck Shri Patel on the head, resulting in very serious injury. He was bleeding profusely and was rendered unconscious.

Shri Raojibhai was picked up by Smt. Kantaben Trivedi, Vice-Chairman of the Kaira District Local Board, who happened to be travelling in another jeep on the same road towards Ahmedabad. She found the crumpled and twisted jeep on the roadside and recognised Shri Raojibhai and rushed him to the Vadilal Sarabhai Hospital, Ahmedabad. Immediate medical attention was given in the hospital where he was detained. Shri Raojibhai who was still in an unconscious condition, was operated upon after blood transfusion. In spite of all medical attention and care, he never fully recovered consciousness. He succumbed to his injuries on Sunday, May 3.

The news of his passing away has rosued widespread sorrow in the country, especially among constructive workers. Messages



of condolence received by the Chairman of the Khadi and Village Industries Commission are but a small indication of the sense of void his death has created in the field of constructive endeavour in the country. As the Chairman of the Commission points out in acknowledging these messages :

“Shri Raojibhai was one of the senior-most workers in the cause of Khadi and Village Industries. During the last fifteen years he devoted all his energies to this part of Gandhiji’s constructive programme. As Member of the Khadi and Village Industries Board in-charge of the Handpounding of Paddy Industry he made a notable contribution towards the awakening of public interest in this part of our programme and helped in the organisation of the industry on sound lines all over India. Personally, he made himself loved and respected in all the circles in which he moved. It is difficult to replace such a colleague”.

At its meeting on May 4, the Khadi and Village Industries Commission recorded its feelings of sorrow and loss in the following terms :

“The Khadi and Village Industries Commission has learnt with profound sorrow the news of the untimely demise in an Ahmedabad Hospital under shocking circumstances of Shri Raojibhai Nathabhai Patel.

One of the earliest workers in the field of Khadi and Village Industries, he was one of the staunchest and most steadfast supporters of the cause in serving which he set an example of dedication and missionary zeal. As Member of the

Khadi and Village Industries Board in-charge of the Processing of Cereals and Pulses, he rendered invaluable services in promoting the cause of public health and rural employment by his tireless efforts towards organising the production of handpounded rice and popularising its use all over the country despite numerous handicaps.

The Commission places on record its deep appreciation of his services to the cause it represents and requests the Chairman of the Commission to convey to the members of Shri Raojibhai Patel’s family its sincere condolences in their sad bereavement”.

Paying a personal tribute, the Chairman of the Commission said :

“It is difficult to convey the sense of loss that, as a colleague, I feel at the passing away, on the 3rd May, after a tragic accident, of the most redoubtable of workers in the cause of Khadi and Village Industries, Shri Raojibhai Nathabhai Patel. The Charotar tract of Gujarat has given birth to many who have distinguished themselves in various walks of life; among them I reckon Raojibhai as one of the noblest and one of the most valiant. He was ever both frank and fearless. All his life he was a fighter who would not yield ground, who knew no defeat. But he had trained himself in the school of Satyagraha and, despite his intrepidity, he had learnt how to be patient and forbearing.

So, the shocking accident which resulted in his death brings to an end a life



covering four decades of selfless service. It is not only in one sphere that Raojibhai served the people – those around him first and then the Community in general. It is the work entrusted to him by Gandhiji and the Sardar in Matar Taluka of Kheda District that first brought him in touch with the people and their problems of unemployment, poverty and resulting degradation. It then became his mission in life – to the exclusion of all other interests – to bring about a change in the pattern of rural economy. As a missionary, he made no distinction between measures of relief, welfare activities, legislative action if these all made the lot of the underprivileged villagers richer and happier. The concept of Sarvodaya he interpreted as incessant striving for social betterment in the countryside.

We, his co-workers in the cause of Khadi and Village Industries, cannot be too grateful to him for the contribution he made to the advancement of the cause by his services as a Sarvodaya Sanchalak, as the Regional Organiser and Member of the (All India) Khadi and Village Industries Board in charge particularly of the handpounding and cereal processing industry. That industry has had, during these twentyfive years since public attention was drawn to it by Gandhiji, no stouter exponent than Raojibhai. It was not merely that he pleaded eloquently the cause of the millions engaged in the industry – mostly with success. He made it his business, however, to aid in the reorganisation and reinvigoration of the industry. For

this purpose he established contacts, on the one hand, with the highest authorities in the land and, on the other, with the humble unskilled men and women engaged in this occupation either now or in the past. These forsaken and almost forgotten manual workers will miss him ; for them his death is as great a deprivation as it is to his colleagues in the fields of service in which he had so distinguished himself.”

Thus a brave comrade in the colossal fight against poverty and want is gone. Shri Raojibhai Patel was a seasoned fighter in all good causes. For nearly 40 years he served the country and its people with devotion and zeal. It was in the early twenties when Gandhiji proclaimed the triple boycott that Shri Rojibhai took to the road of Karmayoga. He was then a student learning science in the Wilson College, Bombay. He responded to Bapu's call and joined him in his Ashram at Sabar-mati. From the step he took as a student, he never turned back.

The rigorous Ashram life and discipline gave him strength, courage and self-confidence. His one passion was service of the poor and the under-privileged. His capacity to work, enthusiasm and intelligence won him the confidence of Gandhiji who held him in high esteem. This is evident from the fact that Raojibhai was selected to be among the elect eighty who marched with him to Dandi in the famous Salt Satyagraha March. Shri Raojibhai was always in the forefront in all the struggles and in the constructive field. There is no good cause of which he was either not an ardent protagonist or an able promoter.



Though he started his constructive work in Matar Taluka of Gujarat, his field of activities soon widened. He was a member of the All India Khadi and Village Industries Board which was constituted by the Government of India in 1953 and was entrusted with the task of organising the Handpounding of Paddy Industry in the country. The task was an uphill one. He had to grapple with difficult problems arising out of prejudice, popular taste and the growing menace of mechanised rice mills. But he rose to the occasion and bravely fought his way to place the handpounding industry on the map of rural industries in India.

It should be said to Shri Raojibhai's credit that it was largely due to his unceasing effort that the Government of India was persuaded to appoint the Rice Milling Committee. It was again his ceaseless effort that brought before that Committee a mass of data which supported the case for the revival and rehabilitation of the industry and to rescue it from the rice mills. The recommendations of the Committee are a vindication of his faith and constitute a tribute to his devoted endeavour. The Parliament of India last year enacted legislation to regulate the rice milling industry in the country. The provisions of the Act are again a vindication of the stand he had taken and the perspective he had brought into the advocacy for the revival and rehabilitation of the industry.

His last act before the tragic event was again intimately related to the same cause. He had just returned after a strenuous All India Conference of the workers engaged in the promotion of the industry in Hyderabad. Of his tact and leadership Shri A. Bhagawantha Rao, Andhra Minister for Industries, said :

"I had the privilege of meeting him at Hyderabad in connection with the All India Handpounding Industry Conference. The way in which he handled the Conference and brought it to a successful conclusion, won the admiration of all. The All India Khadi and Village Industries Commission has lost an able and devoted worker."

Throughout his public life of nearly 40 years Shri Raojibhai Patel had only one aim. It was the uplift of the poor and the forsaken. He never spared himself in the pursuit of his aim and he found in his wife a faithful comrade, companion and friend. At 61 Shri Raojibhai had the dash, and courage of a youth of 16. His death in the circumstances in which it came, therefore, is all the more poignant. Many of the institutions with which he was associated or which he had helped to found will feel orphaned by his demise. Words fail us adequately to give expression to our feelings. Suffice it to say a good man of integrity and honesty who ever was in the forefront in the battle against poverty has left us. We mourn his loss.

## LET FACTS SPEAK

In a recent message from Delhi some information was conveyed about the growth

in the number of persons for whom employment would have to be found during the



period of the third five year plan. This is put down as somewhere in excess of 2 crore individuals. The figure is presumably exclusive of those underemployed either in the field of agriculture or of cottage industries. Considering the fact that during the period of the current Five Year Plan it is unlikely that employment will have been found for much more than half the number of persons seeking it, the magnitude of the problem can well be imagined.

In the same message from Delhi, the opinion is expressed that during the periods of the first two plans "allotment for small-scale industries has given better results in terms of employment when funds are channelled directly into industrial units than through assistance given to Boards and Commissions constituted for various village industries". The basis for this conclusion or opinion is not stated and hence it is not possible to conjecture whether the view conveyed is that of the newspaper correspondent or of the official agency from which the correspondent has obtained what appears to be authoritative information about the employment situation. In case the official view is as set forth, it is desirable that the basis for it should be made known to Parliament and to the public. Since the machinery of Boards or Commissions has been set up to assist, among other things, in the provision of employment on a nation-wide scale, the need for their continuance may be considered in case the view put forward is substantiated by facts.

It is true that considerable sums of money under official auspices have been

spent in the last three years in setting up the National Small Industries Corporation and the Small Industries Service Institutes and on the establishment of Industrial Estates. The expenditure on the Industrial Estates is reported to have been of the order of Rs.  $4\frac{1}{2}$  crores and the amount utilized on financing small industries schemes is shown to have been nearly Rs.  $5\frac{1}{4}$  crores. Sanctions have been accorded in the aggregate for twice the amount spent. From the published reports it is not clear, however, how many of the small industries have gone into production, what forms of production they have undertaken, whether the articles produced are consumers goods in common demand and what is the extent of additional employment they have been able to provide.

Information on most of these points is available in respect of the working of the Boards and Commissions. The reason for the existences of a majority of these is that they help in the production of consumers' goods in common demand and are able, on an extensive scale, to provide employment especially in a rural setting where employment is badly needed or in industries where there is a state of chronic under-employment. It is needless to go into figures for purposes of comparison since the data on which the reported conclusion is drawn are nowhere available. In any case, the annual reports of the Khadi and Village Industries Commission and the periodical reviews it publishes contain information both about production and employment. Taking the development of the Khadi industry alone, in the last six



years production has gone up from little over ten million yards to over sixty million yards, while employment has gone up from 3½ lakhs to nearly 15 lakhs persons. in no sector of our economy have both production and employment shown so significant a rise. Hence if deductions were to

have any basis in facts, the conclusion that is reported to have been drawn has no justification. But it would be an ill-advised decision if impressions and prejudices were to colour public policy and not record and facts,

**Vaikunth L. Mehta**

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# MUSINGS OF THE MONTH

( BY THE EDITOR )

As the Second Five Year Plan is coming to an end, discussion on the probable pattern of development programmes in the Third Plan has begun to receive public attention. There is general agreement that the next Five Year Plan should be conceived in bolder terms and its size should be so determined as to further intensify the tempo roused in productive activity during the first and Second Plans and thus, ensure a big step forward not only in the matter of aggregate national production and national income, but also in term of human endeavour and social welfare. For, after all, the success of any plan for development will be judged not merely from aggregates of production and incomes, but the level of living especially of ninety five per cent of the population which is poor and new employment opportunities it creates to ensure social and economic security to them.

## Time For Thinking

There is a notion in influential circles that this can be attained through rapid industrial development. India, no doubt, has plenty of natural resources in raw materials such as iron ore, coal, bauxite and other rare earths and minerals which provide the key to industrialisation. Big steps have already been taken to exploit these resources to national advantage and the big river valley projects will soon be yielding large quantities of electric power

which will set the pace for industrial organisation and development. It is time, therefore, we sat back and started some serious thinking. Will large-scale industrialisation and concentration of capital and means of production ever be a solvent of the problems of chronic poverty and unemployment? There is no difference of opinion of any significance on the question that India should industrially develop in order to give to the people the goods and services essential for economic and social growth. But what these industries should be and the purpose they should subserve are questions on which there is considerable conflict of views. And these precisely are questions which are seldom focussed in public discussions. Is India going to imitate the other industrially developed countries of the world, or will she cut out a path of her own?

## Picture Of Future Pattern

The answer to these questions have not been categorically provided. Though the Second Five Year Plan favours progressive decentralisation and devolution of economic power to smaller units of production, the acceptance of the principle by itself does not provide the picture of the future pattern. It is necessary, while we plan for industrial development, to have a clear conception of the size, location and capacity of the units of production. Only when these



are determined can we lay down the production pattern for even the key producer goods industries. On this aspect of planning there is little discussion. Much less thought seems to have been given to it. It is all very well to say that India has to catch up with the world and she has so little time to achieve it. Therefore, we should bend all our energies and resources to industrialise, no matter at what cost. We need not quarrel with the protagonists of such views. They are people with vested interests and go by the pretentious title of 'captains of industry'. Their vision is warped and never extends beyond their immediate interests. But they are people of influence and their wealth gives them the power to carry through whatever they plan. But they have however, been found out and beholden to public view in their real colours. Of them Shri Jawaharlal Nehru says: "These captains might do a job themselves and make good money out of it. They got protection and came out as great captains. I fear, having come across many captains of industry, I am not terribly impressed by their captainship. They want everything from the Government. They borrow money from the Government and they get it and they become great captains of industry. It is amazing how they spread the idea in our Parliament and elsewhere that these great captains of industry are some genius. He cited the instance of the first steel plant in India, which was set up more than 50 years ago by Jamshedji Tata, a man of foresight. Though the plant was in existence for 50 years, yet India could

not make a steel plant of her own. This is amazing and ridiculous. The Russians had also adopted the practice of getting plants from outside, America or Germany, but they seldom got a thing twice from a foreign country. When they wanted a second plant, they made it themselves. For 50 years India just went on depending on foreign things, and did not think of the basic thing of manufacturing a plant themselves."

### Need For Change

The result is that India has to depend on foreign countries for every type of machinery and tools. Import of these involves large investment in foreign exchange which is very scarce. The "Captain's of Industry" in India are a class by themselves. Their one concern is quick returns, not long-range development. Therefore, their pre-occupation has been with the development of consumer goods industries. Which displace the small home producers, and impoverish the people. Thinking men here come to realise that the pattern of our industrial development and organisation must be reversed, much change. As Prof. Mahalanobis says: Until sufficient machinery and tools become available, it is essential to utilize idle hands for the production of cloth, house-hold utensils and other consumer goods. This is for two reasons. Our greatest shortage is of machinery, while we have millions of unemployed persons sitting idle. Whatever machinery we can afford to import or manufacture within the country should be used to build up the basic industries which would produce more machinery, more

(Contd. on page 51)



# SHRI RAOJIBHAI PATEL

( By BABUBHAI K. PATEL )

Shri Raojibhai Patel was born on 7-7-1899 in a well-known Patidar Family of Sojitra in Kaira District. After completing his Primary and Secondary Education in the Petlad Boarding School, famous at that time, he joined the Wilson College in Bombay. In the year 1920 in response to Gandhiji's appeal, he left his studies and joined Gandhiji at Sabarmati Ashram. During his stay with Gandhiji in the Ashram, he performed various duties from Safaikam to personal cashier of Gandhiji. Owing to constant touch with Gandhiji, virtues like punctuality, astuteness and regularity developed in him. He turned out to be one of the brilliant disciples of Gandhiji.

At the age of 30 he took the "Brahmacharya Vrat" before Gandhiji and lived a Brahmachari's life ever since. The principle, "charity begins at home," was his life principle. When under the direction of Gandhiji, he was out for collection of the Swaraj Fund, the first person he approached was his wife. He told her: "Till there are ornaments on your body I cannot approach and appeal to others for the fund". His wife, being a staunch believer in Gandhian philosophy as a result of her stay in the Ashram with Shri Raojibhai, immediately handed over her ornaments to Raojibhai. This, perhaps, was

the beginning of a life of renunciation and dedication for both husband and wife.

Shri Raojibhai was one of the 80 workers selected by Gandhiji for the historical "Dandi March" of 1930.

He had imbibed Gandhiji's concept that Khadi and village industries are the only means to promote the welfare of our poor and densely populated country. Amelioration of the poor and underprivileged classes of the country through constructive work was his mission in life. He selected Matar Taluka, the most backward area of Kaira District, as his field of activities. Vasai, a small village in Matar Taluka, was his first headquarters. In 1942 he started an Udyog Mandir at Bhalada the foundation stone of which was laid by Shri Morarji Desai, the present Union Finance Minister. Since then Bhalada remained as a centre of his activities. Bhalada was then made a Sarvodaya Centre under the Sarvodaya Scheme sponsored by the Government of Bombay. Under this scheme Shri Raojibhai strived for the social and economic betterment of the poor, backward and depressed people of 40 villages of Matar Taluka through various welfare programmes such as Khadi-Gramodyog, Nai Talim, Adult Education, Gram Safai, Kumar Chhatralaya, and Cultural activities.

With a view to developing village



industries on co-operative lines, he established the Kaira District Industrial Co-operative Association, Nadiad in the year 1946 and since then he was the Chairman of the institution. Under the direct guidance of Shri Raojibhai, the Association has achieved notable progress in various activities such as sale of handloom cloth, non-edible oil soap production, production of handmade paper and charkha saranjam etc. With his inspiration and as a direct result of his efforts about 50 societies of weavers, dyers, oilmen, handpounders, leather workers, bamboo workers, utensils makers etc. have been established in Kaira District. He was put in charge of the Gujarat Branch of the Bombay Village Industries Board established in the year 1946 and till the last day of his life he was the Chairman of the Ahmedabad Division of the Board.

His activities, however, were not confined to Khadi and village industries. He developed wider interests and there was hardly any field of social service where he did not leave the impress of his sincerity, ability and affability. He was connected with a number of district and state level co-operative institutions. He was on the Board of Directors of Kaira District Central Coop. Bank and Kaira District Milk Producers' Union. He was Chairman of the Kaira District Industrial Co-operative Association, Kaira District Khadi Mandal and Secretary of the Maha Gujarat Khadi Mandal. He was a member of the Senate of Sardar Vallabhbhai Patel University, He was also a Director of the Bombay State Industrial Co-operative Association and a

member of the Bombay State Handloom Board and Bombay State Prohibition Committee. He was President of Gujarat Goseva Sangha and was connected with Harijan activities.

Shri Raojibhai was a servant of the people and a patriot *par excellence*. During the struggle for freedom he shared himself as a brave Satyagrahi and dauntless fighter. He and his wife were sent to prison several times. He was a staunch congress worker and was a member of the Gujarat provincial Congress Committee and a Secretary of All India Congress Committee' Constructive Wing for Gujarat. He diffused strength and confidence in all fields of work. His genial temperament and child-like simplicity endeared him to all who came in contact with him.

With the establishment of the All India Khadi and Village Industries Board in the year 1953, he was taken up as a member and was put in charge of the Processing of Cereals and Pulses and the Handpounding of Paddy Industry. His contribution in this capacity is invaluable. Against many odds and difficulties he worked with tenacious determination for the furtherance of the cause of the industry. The result is that there are more than 700 societies doing the work of Handpounding of Paddy Industry all over the country today.

As a member of the Rice Milling Inquiry Committee appointed by the Central Government, he put in strenuous efforts in collecting data and presenting an unassailable case for the revival and rehabilitation



of this important village industry. On the basis of the report of this committee the Indian Parliament passed the Rice Milling Regulation Act last year.

Shri Raojibhai Patel's death is an "irreparable national loss". It can verily be said of him that he has sacrificed his

life in the cause of the Nation. Let us pray to the Almighty God for bestowal of peace to the soul of the deceased, courage to his family members to bear such irreparable loss and strength to us to fulfill the mission left unfinished by him.

## KHADI & VILLAGE INDUSTRIES COMMISSION

Mistry Bhavan, Dinsha Wacha Road, BOMBAY-1.

### LIST OF PUBLICATIONS

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S.No.		Rs.
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# A WESTERN OR AN EASTERN ECONOMY ?

(By WILFRED WELLOCK)

India is still unable to make up her mind whether to base her civilisation on highly centralised mass-production industry or on well-integrated agro-industrial village communities with all their wonderful techniques and skills. In these circumstances the observations of a Westerner who has made a long and careful study of the origins and effects of the Industrial Revolution may not be out of place. In a series of articles which I wrote some forty years ago, I had asked India to think twice, when she had achieved Swaraj, before embarking on a programme of Western Industrialism.

## **Dominating Idea**

In England, I had become familiar with their plans. They included centralised and semi-centralised or regional industries, also cottage and village industries. Some industries were to be nationalised and others left open to private enterprise, under conditions while the co-operative principle was to play a big part in the villages. But what I was unable to discover was the dominating idea and the over-all plan or picture, was the population of India to be urbanised like that of the United States and Britain, or was it to remain spread out in villages,

but slightly enlarged, well-integrated by means of a sound agriculture and a host of crafts and small industries and thus rich in the finest culture, that of creative self-expression.

## **The Best Foundation**

As I come to grips with India's major economic problems, it becomes indubitably clear to me that the Gandhian economy is a sound policy, that a nation-wide system of village republics would be the best foundation for a classless India, a civilisation of high quality and India's best contribution to a stable and peaceful world order and also the speediest methods of removing the bane of poverty.

As long ago as 1908, Gandhiji, in his pamphlet "Indian Home Rule" stated that he had probed Western industrialism to its roots and had found them to be cankered. He summed it up in the words: "This is a Satanic Civilisation; it will be self-destructed". He perceived that its processes degraded and dehumanised the workers, that its aims and motives demoralised those who directed its courses, and spread the disease of materialism everywhere. It has been responsible for two world wars and is rapidly preparing for a third between



two Dinosaurian blocks. Because both are the outcome of materialistic ideologies, they lack the vision, the understanding and the moral courage to save themselves from catastrophes which they know might encompass their extinction as civilisations. These are facts of which India must take note.

### The Choice

A few Western Powers have developed enormous production potentials which can only be kept going by extravagant and wasteful standards of living at home by large and ever-growing exports, and by big armaments programmes. As the demand for markets exceeds the supply, and as armaments stimulate fear, Western industrialism is a breeder of international conflict. Before long will appear a new cause of war: a mighty clash between the rising, just demand of an awakening and long-repressed East, and the towering and ever-rising standards of material living in the West, especially in the United States for the earth's resources in food and raw materials. These combined demands from the East and the West are now outreaching supply, while ideological conflicts and the fear of war are greatly aggravating this acute shortage problem by the development of re-armament programmes which surpass all knowledge or understanding.

What India has now to decide is whether she intends to enter this international vortex, the fundamental evil of which is materialism, uncriticised, uncontrolled high standards of material living, and what follows from this, class war and finally world ideological war, or whether she

means to keep out of it, which she can only do by pursuing an essentially self-sufficient economy, and civilisation of high quality in which material values will be controlled by spiritual values and principles.

Shri Nehru has declared over and over again that India's aim is economic self-sufficiency—not absolute, of course. This policy is necessary, first, in order to insure her economic and financial independence, and second, because with such an economy India will not be a cause of those international strains and stresses from which, as explained above, modern wars spring.

But what India has not yet decided is whether she hopes to achieve this end mainly by way of centralised mass-production industry, or mainly by way of a well-integrated agro-industrial economy. That issue is vital. If India makes the former choice she will be unable to escape two major evils the pursuit of material wealth as a major objective, and the dehumanisation of the workers on a growing, and finally colossal scale.

### Decline And Degradation

The spiritual decline of the West during the last century (symbolised in its present "Satanic Civilisation", with its growing fears and war preparations) has been primarily due to the fact that the making of riches became the primary motive behind the Industrial Revolution. Hence there is great danger of pursuing a particular form of industry merely because it yields the maximum quantity of goods. But quality of the production must also be considered, individuality



and variety, and what is much more important, the quality of human personality. An Industrial set-up which turns out millions of articles, every one of which is the spit of the other, produces a dead monotonous world, and also, which is much more important and dangerous, a uniform man, the mass-man of the industrial West, who has made possible and even become the basis of the totalitarian State. Moreover, the producers of uninspiring monotony don't do this for love, but for money, while workers condemned to repetitive labour which requires neither skill nor intelligence can only endure much human indignity for the sake of the means to live. Hence mass production carried out on a vast scale involves human degradation all round and the infection of the whole of society with the canker of materialism.

### Road To Communism

There is this also to be said. Many Indians claim that maximum mass-production development is necessary in order to raise the standard of living of the poorest, and in the quickest possible time. The fact is, however, that the masses of India's needy live in her 5,50,000 villages, and were the new mass produced goods of India presented to them for purchase tomorrow, they would not be able to buy them. Only the few workers would be able to buy them who had been brought from the villages into the new factories. What then would happen? This is what would happen. Most of the new production would have to be sold on the foreign market, as Indian textiles are - today since they constitute an

important item of India's exports, even while scores of millions of villagers do not possess more than one square yard of cotton cloth each. Hence, instead of the new industrialism solving India's poverty problem, it would stimulate the class war and hasten the march of Communism.

The argument is worth pursuing. Many Indians do not realise how few poverty-stricken people would benefit from an even gigantic programme of industrial expansion. Today India has over 400 cotton mills. Yet they employ only 8,00,000 people, men and women. And how long has it taken to produce them? Were India to embark on an industrial programme which included the erection and fitting out of say 4,000 factories of all kinds during the next 15 or 20 years, she should do no more than touch the fringe of her village poverty and under-employment problem. And what about the cost?

At present world prices (which are going to remain so for a very long time) the scheme would cost several thousand crores of rupees. India could not finance it nor could any other country except the United States. But in view of the latter's military designs and the preparations that are now being made for a possible Dinosaurian conflict with Communism, would India sanction at this time an American financial invasion of her country? I know the answer to that question. In her foreign policy India is extraordinarily realistic and sound. She must be equally realistic in her domestic policy, and realism suggests that she concentrate on bringing betterment by way of a steady and continuous



process, and simultaneously to the meeting millions in her villages. This can be done by one means only, the application of the Gandhian economy, that is, by the transformation of her disintegrated villages into village republic.

### Salvation

Gandhiji was very far sighted and amazingly practical when he declared that India's salvation depends upon the spinning wheel first as a means of winning Swaraj, and afterwards as a means of raising the living standards of her poverty-stricken villages, the variety and quality of their life, and the status and dignity of their method.

The attitude of the Government to this claim seems to be this: Very well, if you really believe in this policy, get on with it and we will wish you God-speed, and we shall be glad to help you. But is that enough? Big economic and international issues are at stake, including that of another world war. Moreover, equally big spiritual issues are also at stake. The decision to be made involves the issue of whether the purpose of civilisation is to make wealth and give the people a good time, (eat, drink and be merry, for tomorrow we die) or whether it is to make men and women, of full stature—physically, intellectually, and spiritually, and to this end to fashion the right kind of cultural institutions. A sound democracy cannot possibly rest upon a foundation of mass men with mass minds, for they would always vote for the Government which promised them the most wealth and the largest array of social amenities. And they

would win the elections for they would always be in the majority. The alternative would be a right or left dictatorship.

But if the chief concern of the State be to breed a race of whole men and women, then they must be given tasks which will develop all their faculties, especially their emotion, their imaginations and their creative powers. Without responsibility of human wholeness cannot be achieved. Accordingly, an economic, industrial and cultural system must be devised which will provide these fundamental rights in fullest measure to the entire community, and not to the financially privileged few.

### Gandhian Way

The Gandhian economy alone can do that. It is an ancient economy, being as old as society itself. Modern industrial techniques have destroyed it. Still newer techniques must restore it, but give to it a richer content. Instead of man's inventive genius running to gigantism in machines, factories and cities, it should be directed to the small machine, to mechanical devices to assist men in the production of commodities of high quality, yet in such numbers that all may have them if they so desire. In the making of such commodities men, women and even children would find the means of self-realisation, self-fulfilment and complete soul satisfaction. The outcome would be a beautiful world and a richly endowed humanity.

The foundations of such an India are already being laid by a few devout followers



of Gandhiji. They are making enormous sacrifices; but are finding in them satisfactions which the politics and the riches of industrialism would never give them. In different parts of India I have visited, Ashrams and centres are concentrating on producing spinning wheels. Cotton cloth woven from handspun yarn in every Indian home means wealth and well-being. Here, and now, not in fifteen or twenty years. To teach women the art of embroidery, would add beauty to garments and covers, etc. Other industries, cottage and village as fast as the appliance which they require could be produced, including the necessary raw materials. The production of the latter would provide new local occupations. So the work could proceed fast enough to maintain a continuity of progress from end to end of India.

### **Not For Profit**

It is an inspiration to witness this process in action, for once it commences there is no checking its advance. It may commence in one village with one or two classes in Basic Education, in another with a maternity centre or a clinic, and in another with the sinking of a well or installing a surface drainage scheme. But what it be, news of it spreads immediately to the surrounding villages which then ask for the same facilities. What is more, they are willing to make a contribution towards them from their scanty means.

As this process of village industrial expansion develops the surplus labour of the villages would gradually be absorbed, where-upon attention would be directed to devising more and

more mechanical aids, possibly with the use of electric, wind or water power. Already electricity is being carried to many villages. The main point to be watched in this development is that the mechanical devices adopted should serve as aids to the craftsmen's skill to quality production and not to cheap mass-production of characterless goods for profit's sake.

It is true, of course, that a certain amount of highly centralised industry cannot be avoided, but it should be avoided as far as possible. It is often largely a matter of technique. If it is reduced to the minimum, there would be no difficulty in arranging that the workers in such industry were given a secondary occupation which enabled them to develop their creative powers.

### **Creative Resolution**

Were India to adopt this general plan, she would escape the evils that have overtaken the West and which now threaten the collapse and even the extinction of its civilisation. It is when civilisation become urbanised and prosperous, when money values supersede creative and other spiritual values, that civilisations begin to decay and the trek to perdition commences. The big problem of the West is whether a new social order born of a creative revolution can take place before an atomic war sweeps its civilisation and everything else into the great unknown. That creative revolution would be the Western counterpart to the revolution of the Gandian economy in India.

Not only has India a clearer road to



travel than we of the West, she has much more political backing, despite the enervating indecision which now prevails. Shri Nanda Minister for Planning and the Planning Commission, have publicly expressed their profound faith in the principle of co-operation in the economic and social development of village life. Shri Nanda sees in co-operation the surest guarantee of establishing a sound village democracy while the latter envisages the unification of the village panchayat and the various co-operative organisations.

Were Indian statemen to take their courage in their hands and declare their intention to build boldly on the founda-

tion laid down by Gandhiji, and were they to call upon the nation to give them the utmost backing in this task and upon the youth of India to devote their talents to this great creative revolution in their villages, as workers, as teachers, as technicians, the face of India and the outlook of her people could be completely changed inside thirty years. It is, I am convinced, the most effective social revolution which lies open to her. It lies in India's power to initiate a new creative era which might spread to the ends of the earth whence mankind universally would enter into wider freedoms than it has ever known, including the freedom of world intercourse and world peace.

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## Some Recent Publications :-

Deora Village Plan	Re. 1.00
Kamelpur Village Plan	Re. 1.00
Guide To Village Planning	Re. 1.00
The Village Oil Industry	Rs. 1.50
The Beek-eeeping Industry	Re. 1.00

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# A KERALA SURVEY

The Kerala Khadi and Village Industries Board at its meeting held on 18th May 1958 appointed a committee to study the employment position in the coir industry in the coastal areas of the State. The committee carried out a survey of the following villages :

Name of District	Name of Village
Trivandrum	Murukkumpuzha
Quilon	Paravoor, Thevalakkara
Alleppey	Thikkunnapuzha Muhamma
Kottayam	Maravanthuruthu
Ernakulam	Kumbalangy
Trichur	Kandassankadavu
Palghat	Ponnani
Kozhikode	Mannoor, Kizhariyoor
Cannannore	Mattool

The object of the enquiry was to explore the possibilities for the development of Khadi and village industries in the coastal areas where there is very acute unemployment and where the coir industry provides the principal source of income.

Information regarding the total number of households, demographic particulars of household members and employment details were collected in a household schedule by visiting 50 selected households at random in each village. In general schedule information on details about those engaged in the coir industry in particular villages, the loss of employment, the working of existing industries, the number of employees in each, number of working days each month, average monthly income, availability of raw materials, industries that could be started in the village, the availability of raw material, technical personnel, marketing facilities etc. were collected. In view of the fact that the information obtained in the general schedule varied widely from person to person, no definite conclusion could be arrived at as regards individual industries.

The enquiry was started on 8th September and completed on 31st October 1958.

The information obtained in the household schedule was compiled and analysed. The results for each of the villages surveyed are presented below :

## REPORTS ON VILLAGE STUDIES

### I. MURUKKUMPUZHA

Murukkumpuzha is a village in the Trivandrum District with 683 households. Of these, 50 households were selected at random and studied. The total population

of the village is found to be 4,237. Women are comparatively more in number than the men. The average size of the family is 6.2.

In a total population of 4,237, only 1,981



people are in the working-age-group of 15 to 55 years. This is less than 50 per cent of the total population when the State average of working-age-group population is more than 53 per cent.

About 642 people in the village are illiterate in the working-age-group or about 33 per cent.

The number of educated people - educated taken to include matriculates, intermediates, graduates and post graduates in all the village - is very small. Smaller still is the number of technically qualified hands.

The number of earners come up to 1,271 and earning dependents upto 96.

The number of people regularly and casually employed comes to about 1,134. The number of people in the working-age-group is 1,981. There are some people outside the working-age-group who are able to work. Thus the total number of persons who could be employed is more than 2,000 and those employed are only 1,134. Thus about half of the persons who could be employed are unemployed.

The people in casual employment are much less than those in regular employment. The income of a person in regular employment is about Rs. 34. Considering that about 3 persons per household could be employed, we see that the income per month per household is above Rs. 100. But we know that only about half are employed and thus the income also falls to Rs. 50. The size of the family being 6.2. Thus Rs. 50 must support 6.2 persons. The condition of the casually employed worker

with 96 hours of work a month is deplorable.

The employment status is analysed as follows ;

1. Employers	123
2. Employees	847
3. Own-account workers	151

Coir Industry is the most important single occupation in the village. When opinions were gathered, a bigger unit was subjected to study with 2,400 households and 2,500 people were said to be engaged in coir in the four wards constituting the Murukkumpuzha village. About 250 people are engaged in the retting of cocoanut husks. They engage themselves in some other work when they are not employed in the retting of husk. Thus we cannot find a group of people who are engaged in retting alone. The income these people get is more than what the beaters and spinners get. Their income is about Re. 1 on an average per day.

As regards beaters they get employment throughout the month. They get only about half of what the retters get though they are employed for the whole month. Their income will vary from Rs. 15 to 20 per month.

As regards the spinners, they are the most numerous. They come to about 2,000 approximately. They also get employment mostly throughout the year. Their income is much less.

In all these cases we see that people below 15 are employed in the different stages of retting, beating and spinning and



so a substantial number of people outside the age group 15-55 are engaged in this.

The depression in the coir trade has thrown out of employment about 40 per cent of the population previously engaged in coir. But it cannot be said that some people were completely ousted from the coir business. They are even now employed, but the hours of work and income they used to get have gone down, i. e., they have less work and less income now.

### Industries In The Villages :

Next in importance to coir is weaving. But in the household survey, the conclusion arrived at was that only a smaller number than  $\frac{1}{4}$ th of those who are engaged in weaving are spinners. In the study, the number of spinners comes to about 55 whereas the number of weavers are 273. So we see that weaving is very important here. They get work for more than 20 days a month and the average income per head is Re. 1. The marketing of these products of the industry is done by a Weaving Co-operative Society and only less than 10 per cent is sold otherwise. So next to coir, weaving industry is the most important.

Second in order of importance is *rattan* and *cane* work done in the village. They get employment for more than 25 days, and the income they get is substantial, unlike in the weaving business. It was pointed out that those who are engaged in *rattan* and *cane* work get an income greater than the weavers. But the finance required is not always easily available and so they have to confront difficulties.

There are people engaged in bamboo work, i.e., basket-making, mat-making and making of other articles. But this is confined to the Melthonnakkal village. Those people engaged in this work get more than 25 days work a month, but the income they get is six annas a day on the average.

Bee-keeping is also another village industry. People generally underestimate the benefits that can be derived from this. But there are only very few people who consider this as a source of income. To most people it is a hobby.

Fishing and brine shell collection are two sources of income to the people. In Murukkumpuzha and suburbs there are about 150 people engaged in this and earn a livelihood.

### Industries To Be Developed :

**KHADI :** There are a large number of unemployed people in the village. Khadi can do a good deal in ameliorating the conditions of these unemployed. Khadi spinning can be taught and this could be made a source of income. Some Parlshramalayas have been started and training has been given to some people.

As regards handpounding of rice all women are more or less skilled in this. Though this is a very strenuous work, there are women in large numbers who can be employed in this. This will give an additional income to the women.

There are also people in the village who are hereditarily engaged in oil crushing. They will be able to organise small units of oil crushing industries.



## 2. PARAVOOR :

The two villages selected for investigation and study in Quilon district were Paravoor and Thevalakkara. Paravoor and Thevalakkara are known from very ancient times as coir centres and the inhabitants of which depend upon coir and coir products for their sustenance. Of the two places, the first studied was Paravoor.

Paravoor is a village about 10 miles away from the Quilon town. It has 2,660 households and a total population of 12,556 people of which 6,012 are men and 6,544 women. The average size of the family is 4.72 in Paravoor, which is much smaller than the state average. It may be mentioned that it is because of the individualistic nature of each person or earning member that families branch out from the general group.

### Working-Age-Group :

The total number of people in the working-age-group is 6,278, exactly half of the total population. Of these, women outnumber men, the numbers being, 3,618 and 2,660 respectively.

Among the 6,278 people in the working age-group there are 1,643 illiterate people of whom 426 are men 1,117 women.

The number of educated people, that is matriculates, intermediates, graduates and above, comes to about 585 or less than 50 per 1,000 of the population.

There are 2,766 earners on the whole in Paravoor village. The number of earning dependents is 1,330, about half of the earning population. Thus 4,096 people earn

their livelihood fully or partly. Of these, some people are in regular employment and some others in casual employment. They have to support a population of 12,556. Thus the burden of dependency is above 3. The unemployed comes to about 2,022 which is about 32 per cent of the working-age-group population.

Average monthly income of a person in regular employment is Rs. 42. The casually employed people are very few. Ignoring the insignificant number of casually employed, we may calculate that Rs. 42 of income per regularly employed person works out to Rs. 14 per employed person for a month. For the casually employed, their income is much low. The average per week is Rs. 5.

When the employment status is studied, we may divide them into employers, employee and own account workers. The employers number about 479, the employees 2,394 and the own account workers 1,170.

The most important village industry in this area is coir spinning. Beedi-making and weaving come only next to coir in order of importance. It has been found that 1,543 persons out of a working-age-group population of 6,278 are coir spinners,

The raw husks undergo a series of processes until at last the fibre is converted into very fine products, of artistic value like mats and matting. Retting, beating and spinning are the most important processes.

Very few people are engaged in retting of husks. This is no main source of income.



A worker engaged in retting has work only for less than a week in a month and for the rest of the time he is otherwise engaged. Thus there is no group of people who adopt retting as their main occupation. The income the retter gets is generally about Rs. 3 per day's work. One particularity is that the daily wage in this is comparatively higher than the other fields.

As regards beating, a worker can beat about 60 husks a day on the average. For this an average daily income of As. 12 is obtained. The beaters are employed throughout the season.

About spinning and the other processes leading to the final stage of manufacture, the worker gets a larger income than the beater if retts are used. If not, the income to the spinner is less than As. 6.

Weaving is also important here and many people are engaged in this.

A certain number of people who were previously engaged in coir are now unemployed owing to the depression that came over the coir industry.

### **Existing Industries:**

Fishing is the important source of income next to Coir. As many people are engaged in fishing as the total number of workers in coir industry. Fishing can be developed. But finance presents an insurmountable difficulty. In fishing occupation an average income of Rs. 50 per month may be expected.

Oil crushing is carried on a caste-basis in this village. There are a number of families who are traditional oil-crushers. In

weaving and oil-crushing there is no bright prospect.

Besides all these, there is clay mining and cane and rattan work in the village and this affords a means of livelihood to a section of the people.

### **The Industries That Can Be Started Or Expanded :**

Training in Khadi spinning is being given in different centres. A large number of people has already been given training. There is the possibility of giving training to more people and thus propagate Khadi in different parts of the village. Hand-pounding of rice can be very conveniently undertaken on co-operative lines and it can employ a large number of people irrespective of education and technical skill. There are trained personnel here for the manufacture of soap. But the only disadvantage, and the serious one for that matter, is the non-availability of non-edible oils.

Bee-keeping also can be encouraged. People can take to it as a hobby and can serve as a profitable and easy way of earning an income.

### **3. THEVALAKKARA :**

Thevalakkara is a village in the Quilon district. It is one of the important centres of coir industry. It has a population of 22,437 and 3,452 households. Unlike in Murukkumpuzha and in Paravoor, the male population is more than the female population. It may be mentioned that 6.6 persons constitute an average household.



The number of people in the working age-group is only 9,945. Of these 4,902 are men and 5,043 women. Thus in the working-age-group women exceed the number of men.

In the working-age-group population of 9,945, there are on the whole 1,794 illiterates. One striking factor here is the number of illiterate women. This works out to 18 per cent of the working age-group.

The educated group, that is, matriculates, intermediates, graduates and people with higher qualifications has only 207 persons. What is still worse is the low number of technical personnel. The number is about 138.

Of the 9,945 people in the working age-group, 3,452 are earners and 2,071 are earning dependents. These earning dependents may be either regularly employed or casually and their income may be much less and hence depend on others for sustenance.

On the whole 5,521 people are earners including earning dependents. The earners, i. e., 3,452 persons have to support a total population of over 22,000. The only help they receive is that they are assisted by their dependents, contributing something to their income. The burden of dependency here is more than 4. This is perhaps a village where there is the highest burden on dependency. The number of unemployed people is 4,626. Thus only about half of the working-age-group population are employed.

The average monthly income of the

regularly employed people is to the tune of Rs. 47 per month. This Rs. 47 has to support at least 3 others besides the earner. Thus we see that an average of Rs. 11 or 12 will go to each individual for their subsistence.

Considering the employment status of the population, employers numbered about 345 and employees 2,484. The number of own account workers is 2,415.

It is seen that spinning, fishing and *beedi-making* are the important occupations which engaged half of the working age-group population. The statistics collected from households give the number as follows:

Spinners :	966
Fisherman :	828
Beedi-makers :	278

Thus spinning occupies the most important place with the largest number of people working on it.

Thevalakkara is one of the important coir centres.

The processes in the production of coir are broadly divided into 3, namely (1) retting, (2) beating, and (3) spinning.

As regards retting, only very few people are engaged in this. According to available information, only about 100 persons are engaged in this. The income these people get per day is about Rs. 3. This would have been a very fertile source of income had there been retting of husks every day. They get employment only for some 30 days in a month.



Secondly beating of the husk is to be considered. There are two types of beating and two types of spinning. A large section of people is engaged in beating raw husk and spinning them into yarn without the use of spindles. Another important section of the people beat the retted husk and use the fibre thus secured and they spin yarn using *rattas*. Thus raw-husk beating and retted-husk-beating are equally important here. The same is the case with the spinning of yarn. The number of people not using rattas exceed the other.

The average income of the beater is less than 10 annas but more than 8 annas. There is, however, a sizable reduction in the income of people beating raw husk because it takes more time and energy to beat the raw husk than the retted husk.

What a worker gets for spinning yarn With spindles is more than that of a spinner by hand. In certain cases he gets twice as much. Spindles can be introduced and spinning undertaken easily.

### Existing Industries :

Coir is already a flourishing industry in the village. What comes next in the order of importance is fishing. It has been pointed out that the fishermen population here is as important as the population engaged in coir. These fishermen get work only for 15 days in the month on average, But they get Rs. 2 each a day.

Not less important is the Screwpine industry. About 3,000 people are engaged in this. But they get only very little from the work they do. They get work for 30 days a month, but their average income can

be estimated to be near about Rs. 10.

Weaving is the other important occupation. There are about 400 people engaged in this. They get an income of Rs. 1.50 per day on days when there is work for them.

Pottery, basket weaving etc. are occupations which also give employment to a number of people in the area.

### Industries To Be Developed Or Started:

1. Khadi,
2. Handpounding of paddy
3. Beekeeping and
4. Oil crushing.

As regards Khadi spinning and weaving, the people of the locality have a sentimental liking for Khadi spinning and weaving. Though raw materials are not available, it should be pointed out that there are experienced people here who can undertake a programme of Khadi propagation. Besides, there are co-operative societies which are interested in Khadi and village industries. 'Koivila' is one which is directing its activities in this direction.

Secondly handpounding is a village industry which can be undertaken anywhere paddy is available and the question of personnel is irrelevant. There are facilities for the sale of the hand-pounded rice and there are societies like the "Arinallor Co-operative Society" which can do a good deal in this direction.

Bee-keeping can be begun or encouraged in this place. The locality is quite suitable for the development of beekeeping.

Oil crushing can also be encouraged because there are traditional oil crushers



here who can revive the industry and thus employ some people more in the industry.

Thus it may be said that there are all possibilities of developing Khadi, hand-pounding of rice, beekeeping and oil crushing industries in this village.

#### 4. MARAVANTHURUTHU :

Maravanthuruthu is a village in the Kottayam district with 1,089 households. The total population is 6,269 in which the number of women exceeds men. For every 100 men in the population there are 113 women.

The total number of people in the working-age-group is 3,066, which is much below the State average. The number of illiterate people in the working-age-group is 603 or about 20 per cent. The number of educated people, namely matriculates, graduates and intermediates, is 187.

There are only 21 persons with technical qualifications. The average size of the household is 6.03.

There are 1,479 earners and 997 earning dependents in the village. The earners have to share their income to meet the expenses of dependents who are earning, but not enough for their sustenance. Thus the total population who are earning or who are earning dependents come to 2,476.

The number of people with regular employment is 665 and those with casual employment is 1,499. The total working population is thus 2,164. The number of people in the working age group is 3,066. Thus about 43 per cent of the total working-age-group population is unemployed.

The average income per regular worker is Rs. 37 whereas in the case of casual worker the weekly income is Rs. 2-7-0. The monthly income of the casual worker is Rs. 11 and the monthly income of the regular worker is Rs. 37. The casual worker gets work only for 16 hours a week.

The burden of dependency per worker is 2.9 i, e. a person working will have to support 2.9 people.

There are practically no employers. There are employees and own account workers. They are 1,175 and 1,217 in number respectively.

Maravanthuruthu is a place where coir industry is very successfully carried out. There are labourers from ratters to spinners and there are some factory workers also. First of all the cocoanut husks are retted in the brine available in the back waters. These are kept soaked in water for a period of 6 to 12 months. Then they are taken out and beaten. The effort required of the beater is proportionate to the time the husk has been under water.

The income of the retter is greater. That the number of retters is very small because it is not a job requiring labour throughout the year. Once the husks are retted there is raw material until the whole retted husk has been beaten and converted to yarn of fibre. The income the retter gets varies from Re. 1 to Rs. 4. The average is Rs. 2-8-0.

Beaters also are not engaged for the whole time in a year or month. They get work for 10 or 12 days a month and their



daily wages come up to As. 12. A substantial proportion of the population of the village is engaged in this, but they are employed only for a part of the year. Their income when compared with the income of the retter is small.

There are spinners in the village. Spinning is done in two ways. Spinning by hand and spinning by using ratts. The use of spindle is more convenient and the income accruing to the worker will be greater than the income accruing to the hand spinners. The income to the spinner using spindles comes to Re. 1, whereas the hand spinner gets an income amounting to As 8. It should be noted here that beaters include spinners and spinners spin the yarn after having beaten them to fibre.

Owing to the depression in the industry, a large number of people have lost employment, while the others get less employment. This results in a diminution of income.

#### **The Existing Industries :**

Among the industry which keep within its fold a large number of people are fishing and handloom weaving. The fishing carried on in these coastal regions is unorganised and so, the fisherman does not derive as much benefit as should accrue to him. A particular section of people known as *valas* are engaged in this and they are traditionally fishermen. Thus fishing is carried on on caste basis. These fishermen do not have work throughout the month. They depend on the weather and elements for their livelihood because here fish appear only in certain places on certain

occasions and very great skill is required to predict the time and place, when and where they appear. Though they are not employed throughout the year, the income they get is not less than what others get. An average fisherman can be considered to get not less than Rs. 2 per day.

There are also people who are engaged in handloom weaving. There is not as many people in handloom weaving as there are in fishing. They get work for about 25 days in a month. On the average they can expect Re. 1 per day. Fishing and handloom weaving employ a large number of people.

#### **Industries To Be Developed And Newly Started :**

Khadi, among the small industries, has an important place. Parishramalayas have been started and training has been given to members of families previously engaged in coir.

**Handpounding** of rice has great potentialities from the point of view of giving employment. But paddy is not available in large quantities to be stored.

**Cocoanut Palmgur :** There are large number of cocoanut palms which, if properly tapped, can produce gur. There are people experienced in tapping cocoanut palms. Raw materials are available in large quantities and the cocoanut palms if tapped will be a source of income besides having the salutary effect of curtailing the consumption of toddy.

#### **5. THRIKKUNNAPUZHA :**

Thrikkunnappuzha is a village in the Alleppey district. It is a coastal village with



2,526 households and a total population of 14,190. The average size of the household is 5.6. In this village there are 6,817 women and 7,373 men. The total working group population is greater than the average percentage of working age population to the total population. Here it is 65 per cent.

There are 3,182 people in the working age-group who are illiterates. Women exceed men in the group who are illiterates by as much as four times.

As regards the educated—including matriculates, intermediates, graduates and post-graduates it may be said that on the whole there are 202. Technically qualified persons number 101 of whom trained school teachers constitute the majority.

The number of earners is given as 4,292 and the number of earning dependents 1,112. These earning dependents earn only very little. Though they may be regularly employed in certain cases, the income that accrues to them is meagre.

The number of people with regular employment is 858. Those with casual employment is 3,646. The unemployed number 3,475.

The burden of dependency is 3.17. When we consider the casually employed also, we see that the burden becomes much greater. There is a comparatively big burden.

The income of the regularly employed is about Rs. 45. The casually employed get only Rs. 16 a month.

When we study the employment status, the employees are 4,045 in number and the own account workers 805.

Fishing and beedi-making constitute the major occupation of the village. There are some people engaged in boatwork. Fishermen number about 800 and the other two groups, namely, beedi making and boat work employ 400 people each.

From the opinion gathered, it is concluded that about 50 per cent of the people are engaged in coir-business. These include people engaged in getting of raw husk, beaters and sippers. The retters have work only four days a month. The average income that a retter gets is about Rs. 1.75 on the whole. There are about 300 engaged in this retting.

The beaters form the major part of the total coir population. They get work on the average for 20 days and the average income per worker is As. 6 per day. About 4,500 are engaged in retting.

Those in spinning are less than those in beating. They get work on the average for 25 days and the daily income comes to about As. 8. Owing to the general depression in Coir business about 30 per cent have been partly unemployed.

### **The Existing Industries:**

The most important industry extent in the village, next in importance only to coir, is fishing. There are about 1,500 people engaged in this industry. But since fishing depends on the natural factors and has much to do with weather and other climatic conditions, fishing does not constitute a steady source of income. But it can be said that on the average for about 15 days, the fishermen get employment. The average income of the fishermen can be put at Rs. 2 a day.



The next occupation which employs a large number of people is beedi-making. There are about 500 people in this business. But here also there is the problem of lack of full employment. The beedi-rollers are employed only for some 20 or 24 days. The average income per worker is Re. 1, although there are workers who get as much as Rs. 2. But these skilled workers are few and so the average income of the beedi worker can be placed at Re. 1.

Besides there are occupations which employ only less people. They are handpounding of rice, oil crushing and handloom weaving. These are not very important here.

### **Industries To Be Developed And Expanded**

**KHADI:** Training has been imparted and is being imparted in Khadi spinning under the N. E. S. Block, Haripad. So there are trained people available for starting spinning centres. Since there are large number of unemployed people, Khadi spinning and Khadi weaving will be useful. Dyeing and printing cannot be started here because there is hardly any trained person.

**Handpounding:** Already there are people, especially women, who take to handpounding and there are many more people who can be attracted to this work. But one thing should be noted. Paddy, the essential raw material, is not available here. It is pointed out that only 25 per cent of what would be required is available in the village. There are Mahila Samajams which can undertake the responsibility of organising or forming co-operative organisations for the purpose.

**Beekeeping:** There are Mahila Samajams which can undertake all these village industries especially beekeeping. Besides ensuring income to those engaged in bee-keeping, it is a very convenient way of supplementing the income of men members if women members undertake starting of bee-keeping centres.

### **6. MUHAMMA :**

Muhamma is a village in the Alleppey District, which is an important coir area. There are on the whole 320 households with a population of 1,663. The number of men exceeds the number of women. The average size of the household is 5.2.

The working-age-population number is about 1,011 which is about 60 per cent of the total population. About 93 per cent of the working-age-group population is illiterate. This is about 230. Those who can be classified among the educated come to about 26. This is equal to 15 per 1,000 of the population. The technically qualified people are below 10 per cent of the total population.

There are 435 earners and 441 earning dependents. This may include people in regular employment as well as in casual employment. There are 550 people in the category of the regularly employed and 294 in the group of casually employed.

One particular feature we note is that the regularly employed people get a smaller income than the casually employed. The former gets an income of Rs. 16 per month whereas the latter gets Rs. 27 a month.

The total number of unemployed people is 167. The burden of dependency



also is much less than in other villages.

Considering the employment status, we see that the own account workers are above 600 and employess about 130. Muhamma is the only village with such a large number of persons of the working-age-group population as own account workers.

The survey revealed that 435 out of a total population of 1,664 are coir-spinners. This is about 45 per cent of the working age group population.

An on the spot study of the situation brought to light the fact that there are very few households where coir is not a source of income to the people. Almost all of them are own-account-workers.

There are very few retters of husk in this village. Half of the husks beaten into fibre are raw. About 50 per cent of the total population are spinners. Here people outside the working age group also work to contribute to the income of the household. Monthly income per worker is about Rs. 10.

Unemployment is very serious in the coir industry. Labourers who are engaged in coir industry work as agricultural labourers to supplement their income.

Fishing is the next important occupation with 15 per cent of the working age group population engaged in it. This is carried on by traditional fishermen. Besides meeting the household requirements, fish can be marketed and thus make an income out of this.

The fishermen have work only for 15 days a month on the average. They get

Rs. 2 on the average per day.

Lime shell collection is important here. About 5 per cent of the total population are engaged in this. They get a daily wage of Rs. 1-8-0 on days they have work.

There are some cocoanut climbers also who earn a livelihood from climbing trees.

The Khadi Board has started giving training in Khadi spinning. There are co-operative societies like the Social Welfare Cooperative Society which by amending its bye-laws has made it convenient to include spinning and weaving within the purview of the society.

Handpounding of rice also can be introduced on co-operative lines, but the raw materials are not available here, though they can be bought cheap from nearest paddy field.

Beekeeping also can be developed here. Cocoanut palmgur can be produced if the cocoanut palms are tapped and gur made and marketed to the advantage of societies undertaking the responsibility.

## 7. KUMBALANGY :

Kumbalanghy is a thickly populated village in the Ernakulam district with 4,187 households with a population of 21,104. Of these 12,311 are men and the rest women.

The total population in the working age-group is 13,618. About 17 per cent of this population is illiterate.

On the whole there are 251 matriculates. The survey showed the existence of no technically qualified personnel.



There are on the whole 6,160 earners and 3,851 earning dependents. Most of the earning dependents are earners only in a very limited sense. Only thing is that they earn something.

The number of people with regular employment is 6,950 and the number with casual employment is 2,595. The unemployed are 4,138. The burden of dependency is 2.2.

The average monthly income of those in regular employment is about Rs. 43 per month. The casually employed are much fewer and their monthly income is about Rs. 30.

There are very few employers, but employees and own account workers are significantly numerous and are more or less equal in number. Analysing the skill we see that there are two kinds of skilled workers, spinners and weavers. The spinners number about 4,000 and the weavers about 1,000. Thus those in coir industry number about 5,000. But they have work for only 12 days in a month earning less than a rupee a day.

About 75 percent of the total population are said to be engaged in coir industry and the recent depression in coir business has affected the industry generally and the people could not lead a comfortable life.

Fishing comes next to coir in order of importance. About 1,000 people are engaged in this. Fishermen work for about 25 days a month and an average income of Re. 1 is obtained per day. Primitive method of catching fish are in vogue.

There are about 300 copra merchants

and the aggregate amount is sold in some distant market.

There are some people engaged in brine-shell collection. They work for 12 or 15 days and get a daily income of Re. 1.

The spinning of Khadi and weaving of it have been extent in this village for the last two decades. Of late people have deserted this and embraced more lucrative professions. Khadi Board is imparting training to the members of the family or coir workers. There are experienced weavers in this village.

Handpounding of rice can be undertaken on co-operative lines.

There is ample scope for an experiment in cocoanut palmgur making, because there are a large number of cocoanut palms which are not tapped.

About the position of the present coir industry it may be said that there are about 400 people engaged in retting the husks. They get work for 5 or 6 days and their income ranges between Rs. 2 and Rs. 3 per head.

There are about 8,000 people engaged in spinning. They are employed only for less than 20 days and they get an income of As. 8 per day.

Thus coir constitute the most important industry for Kumbalanghy.

## 8. KHANDASSANKADAVU :

Khandassankadavu is a village in the Trichur District. It is a village of about 693 households with a total population of about



4,500 people of whom 1,958 are men and 2,468 women.

The average size of the household is about 6.4. There are 2,141 persons in the working-age-group of which women are more in number than men. Among illiterates whose number comes to about 443, there are only 69 men. It is seen that about 20 per cent of the total population in the working age group are illiterate. In the group of matriculates, intermediates, graduates, and post-graduates, there are 261 persons. Technically qualified persons are fewer and they number about 83.

There are 1,165 earners and 444 earning dependents. This includes people in regular and casual employment. Those in regular employment come to about 750. This is a village with the highest per capita income which is Rs. 75 per month.

On the whole there are 846 causally employed people. This is more than the number of the regularly employed people. Their average monthly income is calculated to be Rs. 15. They work for 112 hours, a month. About 25 per cent of the working age-group population is unemployed.

The burden of dependency is 2.75.

There are 193 employers and 1,408 employees. The number of own account workers is given to be 14.

Khandassankadavu is a village where the coir industry is carried on co-operative lines. A large number of husks are retted, beaten and spun here. It is estimated that about 200 persons are engaged in retting husks. They have work for 5 or 6 days a

month and the income they get is Rs. 3 per day.

As regards beaters, they were having substantially good work before the introduction of minimum wages for beating. Now the economy faces deadlock since the minimum wage prescribed is not economic. Those engaged in beating get only 15 days work and an income of Rs. 1-4-0 per day.

The spinners also are facing the same situation, because spinning is possible only after beating. But all the fibre produced here are not spun. A portion of the fibre is transported to Cochin or Alleppey. The spinners are not employed for more than 20 to 25 days. The income is not sizable. It amounts to only 6 As. per worker per day.

The quantity of husks being retted in the village was two crores before the introduction of the minimum wage. But this number has considerably gone down by 50 per cent.

It has been pointed out that sending fibre to other places should be put an end to and only coir yarn should be sent outside the area. So a training centre should be started here by the Government to give training in the artistic production of the finer varieties of coir products.

### Existing Industry -

I. Toddy : There is a co-operative society of toddy tappers. More than 200 persons are employed in this. They have work on all days and the average income per worker is Rs. 1-8-0.

**Potteries** : This industry also employs



a large number of people. They are unemployed for no part of the year. Their income is not less than Re. 1 per day.

**Oil Mills :** There are oil mills employing about 200 workers on the whole.

There is one match factory and one tile factory in this place.

Training has given in Khadi spinning and there are many people who can take to Khadi spinning.

There are traditional oil crushers and about 100 families can be given employment if proper encouragement is given to them. It may be pointed out that the depression in coir industry in Khandasankadavu is more the result of minimum wage fixed for beating than anything else.

## 9. PONNANI :

Ponnani Nagaram Village of the Palghat district has an area with 1808 households, and a total population of 12,998. There are more than men in number. The average size of the household is 7. The number in the working-age-group is 7,550. Of these 4,792 are either earners or earning dependents. This includes all those people in regular or casual employment. Those in regular employment get an income of Rs. 55 per month. Those casually employed get about Rs. 16 a month. About 38 per cent of the people in the working-age-group are unemployed. The burden of dependency here is 2.76. There are 5,409 illiterates in the working-age-group with 1,803 men and 3,606 women.

Considering the employment status,

there are 301 employers, 3,944 employees and 5,256 own account workers. There are a large number of fishermen. Next in importance are the beedi makers and the boatmen. There are a large number of people in this village engaged in the making of nets. There are 1,127 people engaged in net making. Those engaged in coir industry is given as 789. Ponnani is not very important from the point of view of coir population. But Kadavanand, and adjacent village, is more important. It has the largest percentage of population engaged in coir.

In Ponnani only about 15 per cent of the total population is engaged in coir, whereas in Kadavanadu 40 per cent of the population are coir workers. Ezhevathuruthy is another important village with a coir population more than that of Ponnani.

There is practically none engaged in retting of husks. About 5 per cent are engaged in beating of husk and they are employed regularly, though only an average monthly income of Rs. 15 is lamed by them as wages.

There are a large number of people in coir spinning. They get work for 25 days a month and gets Rs. 10 a month. Some people have lost employment by the depression in coir industry.

**Existing Industries :** About 40 per cent of the people in the village are engaged in fishing. They work for 15 days a month and get a daily wage of Rs. 1-8-0.

Beedi-making is the next important. They work for about 25 days a month and they get an income of Re. 1 a day.



There are a few boatmen who form about 10 per cent of the total population. They are employed throughout the year and they get an income of Rs. 1-8-0 per day.

There are head-load workers and small traders in copra who play a significant part in the rural economy.

Khadi spinning can be introduced here and developed to the fullest extent possible.

There are about 7 soap units here conducted on a moderate scale. There are trained hands with whose help this industry can be expanded or fresh units started.

Cocoanut palms are growing here and the resources from these can be tapped and cocoanut palmgur produced and marketed profitably.

#### 10. MANNOOR :

Mannoor, a village in Kozhikode District, has 1,048 households with a total population of 6,417 people. Women outnumber men. The average household size is 6.12. The working-age-group population is 3,207.

The total number of illiterate in the working-age-group is 1,404 or 44 per cent. Of the illiterates, about 23 are women. There are only 84 people who are educated. The technically qualified number about 21.

Coir is very important in this area. There are about 150 people engaged in retting husk. They are employed only for about 15 days. The income they get is about Rs. 30 a month. Those engaged in husk to fibre also get only 15 day's work. They get an average monthly income of Rs. 10. More than 1,500 people earn their

livelihood by spinning coir. They have work for some 20 days and get a monthly income of about Rs. 10.

Because of the depression that has come over the industry, some people have lost their jobs.

#### Existing Industries :

There is a Match factory employing about 200 people. They have work for 25 days a month. Women workers get As. 10 to 12, whereas men get from Rs. 1-8-0 to Rs. 2. There is a factory producing tin steel vessels and works for 25 days a month. Workers get their remuneration according as they are skilled, semi-skilled or unskilled.

There is difficulty in securing wood for matches. Besides electricity is not used because the factory is in a far-away corner.

There is the Malabar Fisheries employing a large number of people. Feroke, a neighbouring village is a centre with about 15 tile factories employing a total number of 5,000 people. There are many workers in these factories recruited from Mannoor.

Training is being imparted under the auspices of the Khadi Board for Khadi spinners. There is scope for the introduction and expansion of bee-keeping also, there is not much scope for any other industry here.

**11. KIZHARIYOOR** is a village in the Kozhikode District with 1,392 households and a population of 8,656. The number of women is slightly greater than that of men. The average size of the household is 6.22.

There are 4,282 persons in the working age-group: 2,058 are men and 2,224 women. There are on the whole 2,928 illiterates in



the working-age-group. This is 66 per cent of the total working-age-group population. There are only 83 educated persons.

The number of earners is 2,030 and earning dependents 1,947. The regularly employed are 946 in number and the casually employed number 1,977. The former has a monthly income of Rs. 11. The number of the unemployed is 1,364.

The burden of dependency is 3. The analysis of skill brought out the fact that there are 111 spinners and 308 weavers. On the whole there are 83 employers. The number of employees is 2,784 and own-account-workers about 751. There are about 500 people in coir business of these about 25 are in retting. They get one or two days work a week and get an average income of Rs. 1-8-0 per day.

There are about 60 persons in beating the husk. They have work for 10 or 12 days a month and get an income of about As. 10 a day.

There are about 400 spinners. They have work for 20 or 22 days a month and get an income of As. 6 a day.

About 20 per cent of the coir workers have been rendered unemployed because of the depression in the industry.

### **Existing Industries:**

Ambar and Kisan Charkhas are being used. Here Khadi spinning was introduced as early as in 1939. But later it was given up. The spinners on Kisan Charkha get As. 4 on the average per day.

There are a few weavers also. About 30

persons are employed in this. They work for about 15 days a month and get an income of Rs. 18. Khadi spinning and weaving can be developed.

Bee-keeping also can be introduced and expanded conveniently. This will be very beneficial.

There are plenty of cocoanut trees and palmgur can be produced by tapping these trees. There are trained people who can take up the work.

### **12. MATTOOL :**

Mottool is a village in the Cannanore District with 1,185 households and a total population of 8,627. The number of women exceeds the number of men.

Average size of the household is 7.3 which is the largest in the 12 villages surveyed.

The total number of people in the working-age-group is 5,905 or about 59 per cent of the total population. Women outnumber men.

There are 2,228 illiterates in the working-age-group, or 44 per cent. There are 165 educated persons with none technically qualified.

The number of earners and earning dependents are 2,109 and 1,446 respectively. Those in regular employment are 1,991 and those in casual employment is 1,612. The former gets an average monthly income of Rs. 34 and those in casual employment Rs. 10 per month. Thus the total number of employed persons is 3,603. The unemployed number about 1,492. The burden of dependency is 2.4.

There are 1,280 employees and 2,275 own account workers in the village.



About 40 per cent of the total population are engaged in coir. There are about 100 people engaged in collection and retting of husk. They have work for only 5 days a month. The income ranges between Rs. 1-8-0 to Rs. 2-8-0. per worker per day.

The number of beaters is about 300 and spinner about 2,500. The beaters are employed for only 15 days a month on an average and they get an income of As.8 per day. The spinners get less - As. 5 a day. The fibre produced is not manufactured in the village itself.

A large percentage of the total population depend upon fishing for sustenance. But the schedule studies did not reveal anyone in the group of fishermen when skill was analysed.

There are about 150 people engaged in weaving. They have work only for 5 or 6 days a month. They get a daily wage of Rs. 2.

There are a few trained Khadi spinners. This industry can be taken up as a source of income by the unemployed.

Handpounding of rice can be taken up by a large number of unemployed.

Cocoanut palms are plenty. Copra is produced and crushed. This engages the attention of a few persons who take to this as an occupation. Besides these, cocoanut trees can be tapped and palmgur can be produced. This will give employment besides utilising the untapped resources.

### Conclusion

To sum up: The villages selected for the purposes of the inquiry varied in size

from an area of more than 300 households to one of more than 4,000 households. For example, the Kumbalanghy village consisted of 4,187 households while Muhamma village had only 320. The size of the households also varied from village to village. Whereas it was 7.3 in Mattool, it was 4.72 in Paravoor. The size of a household comes to 6.25. For practical purposes it may be considered that the average size of a household in the coastal area of Kerala is 6.

An examination of the data obtained as a result of the enquiry shows that of the total number of people in the working-age-group of 15 and 55 years, a significant percentage in each village is unemployed. The percentage ranged between 13 and 46.1 per cent. The highest percentage of unemployment is in Thevalakkara. The places with the lowest percentage of unemployment are Mannoor and Muhamma. In all the other villages studied the percentage of unemployment is round about 30 per cent. To add to the burden of unemployment in the villages, the depression in the Coir Industry has thrown out of occupation many of those who were employed in that industry.

The details presented above gives information about the occupations at present available to the people in the villages. It is also found that these occupations do not provide adequate employment even to those who are engaged in them. The enquiry has brought out the potentialities of Khadi and Village industries in absorbing idle man-power. Industries which can be developed with advantage to the economy have been stated,



# REPORT OF THE WORKING GROUP ON INDUSTRIAL CO—OPERATIVES

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## **Genesis**

The Working Group was set up by the Government of India in September 1957. The terms of reference of the Working Group included review of the progress of industrial co-operatives of village industries and small-scale industries, examination of the difficulties impeding the rapid progress of formation of industrial co-operatives, examination of financial, organisational and marketing difficulties of industrial co-operatives and recommendation of measures for ensuring accelerated development of industrial co-operatives with special reference to the objectives and programmes of the Second Five-Year Plan.

## **Contents**

The Report of the Working Group is comprehensive and covers 254 pages including appendices. It is also very valuable. For the first time, the industrial co-operatives section of the co-operative movement in India has received the attention it deserved, and its present position, its needs, its problems and the conditions and environments in which it has to work have been considered and a serious attempt made to suggest detailed measures for strengthening the section and accelerating its development. The Report deserves to be studied carefully

by all interested in the industrial cooperative movement.

The Report is divided into 10 Chapters :

- (1) Introductory;
- (2) Cottage and Small scale Industries;
- (3) Industrial Co-operatives in India—Present position and organisational problems;
- (4) Raw Material and Equipment;
- (5) Provision of Credit;
- (6) Marketing;
- (7) Training and Education;
- (8) Administration;
- (9) Other related matters; and
- (10) Summary of recommendations.

The Report has 14 useful appendices which occupy greater space than the body of the Report.

For those who wish to have an idea of the action that the Working Group considers desirable in regard to the various matters considered by them, Chapter 10 containing summary of recommendations provides the material at one place.

A great deal of statistical and factual material which was not available previously in a concise and compact form at one place



has been collected and published. Most of it is concentrated in Chapters 2 and 3, though part of it is scattered in other chapters also with a view to explaining the conditions in which the existing co-operative have been working and the measures that have already been taken to study and solve their problems.

The Report follows the pattern of most of the recent Reports in so far as it throws on Government the responsibility for almost all the development measures that are recommended. The manner in which industrial co-operatives – the workers' productive artisanal societies as they are called in the U, K. and in Europe – have tried and to a considerable extent succeeded in solving their problems without help from Government is completely ignored. On the other hand, certain types of co-operatives like those for transport, printing trade, etc. find no mention in the Report and co-operatives in the building trade which are considered in many foreign countries to have the greatest scope for development in spite of the modern trend of large-scale production and operation, has not received adequate attention. Similarly one of the types of industrial co-operatives, namely credit societies or banks for financing individual artisans and persons engaged in small-scale industries for purposes of production have not been touched.

### **Present Position**

The Ministry of Commerce and Industry of the Government of India computed the number of industrial co-operatives in India at 16,747 on 30th June, 1957, the

share of Bombay State being 1,273. The present number of industrial co-operatives in the recognised Bombay State is now more than double the figure mentioned in the Report. There are 76 district, regional and apex associations wrongly grouped in the report under the heading of Apex industrial societies. District Industrial Associations were confined only to the old Bombay State. Four of the Associations have now gone to the Mysore State. Information regarding membership, production, sale, etc. has also been given in the Report.

### **Classification And Terminology**

The group has divided industrial co-operatives into kinds namely

(1) production societies producing goods and (2) service societies helping their members in the supply of raw materials and equipment, the provision of technical aid and the marketing of finished products. Without going into further details, it may be earmarked that the terminology used by the Working Group is likely to be confusing not only in India but also in international literature. In an industrial co-operative producing goods or services on its own account, the emphasis is on producers and not on production. A foot-wear factory controlled by consumers or their co-operatives and a similar factory controlled by workers are both production societies. But the essential difference between the two is that whereas the former is controlled by non-producers, the latter is controlled by producers. To distinguish the latter from the former and other



types of societies, co-operatives undertaking production of goods or services on their own account, ought to be called 'producers' societies' and not 'production societies'. Societies of the other kind referred to by the Working Group, which are called 'service societies' should in order to avoid confusion be called 'resource societies' and if the terminology used by the International Co-operative Alliance is accepted, they should be called 'artisanal societies'. Many producers' societies produce only goods but a number of them also produce services as in the case of repair workshops, transport societies, societies for generation of electricity, etc., and the latter are sometimes called service productives or service producers' societies to distinguish them from those which produce goods. Service producers' societies render service to the general public whereas a 'service society' as described by the Working Group is a society which renders services to its members. In order to avoid a mix-up, the terminology 'services society' should be avoided in the case of societies which render services or provide resources in the form of credit, goods or services to their members.

### Membership

After discussing the two main types of societies and their characteristics, the Report proceeds to discuss the principles governing membership of industrial co-operatives. In the opinion of the Working Group, a producers' society should be for workers in a compact area and normally there should be a separate society for each industry or craft. It visualizes

enlistment of sympathiser members (upto 10 per cent of the total) and also associate and nominal members. The two recommendations which are likely to raise a controversy are

(1) that which says that there should be no objection to the registration of an industrial service society of small entrepreneur provided no entrepreneurs employ more than 10 workers and all the workers employed by the entrepreneurs are admitted to society as members, and other necessary precautions taken and

(2) that which states that conversion of industrial units, which at present function otherwise than on co-operative basis, into co-operative societies should be welcomed and encouraged, care being taken to see that the societies which are formed conform to co-operative principles. In this connection, it may be remembered that most of the co-operative societies should be welcomed and encouraged, care being taken to see that the societies which are formed conform to co-operative principles. In this connection, it may be remembered that most of the co-operative societies other than industrial co-operatives, consumers' including housing societies and joint and collective farming societies in India, are societies which receive Government aid in one form or another and benefit members amongst whom there are persons who employ certain other persons for their profession or business and are, therefore, entrepreneurs. Small entrepreneurs having small industrial production units are themselves exploited by middlemen and if



they don't receive aid through co-operatives or similar organisations, they are likely to be wiped out and substituted by larger units owned and controlled by capitalist entrepreneurs. This may throw the workers under the small entrepreneurs out of employment or drive them into the clutches of bigger and stronger entrepreneurs in the interest of their employees, to facilitate decentralisation of industries and also as a potential for the pure type of industries co-operatives. It will have to be ensured, however, that the entrepreneur members or office-bearers do not get a lion's share of the wages paid by or profits made by the societies.

### **Strengthening Of Industrial Co-operatives**

In order to strengthen industrial co-operatives and increase their borrowing capacity, grant or loans to individual members for purchase of share capital and contribution to reserve fund of a society, and for contribution to share capital of Regional or State federations have been recommended.

### **Board Of Directors**

In regard to the constitution of the Board of Management, it has been suggested that not more than about 25 per cent of the total number of directors may be from sympathiser members, that the Registrar may be allowed to nominate not more than one-third of the Directors and that in exceptional cases, the entire Board may be nominated by Government for the first three years. Deputation of Co-operative Department Inspectors, etc. as managers of industrial co-operative has been favoured

and it has been suggested that all members of the administration staff of a society should be admitted as members.

### **Registration**

Elaborate tests for registering a society have been indicated requiring an on-the-spot study of the market for the society's products, availability of raw materials, transport facilities, financial requirements and assessment of cost of production, sale price, etc. It has been suggested that if it is found that the society would in about 4 years be able to declare a dividend of at least 3 per cent on shares and a bonus of at least 3 per cent on wages, the society should be considered fit for registration. Those concerned with organisation and registration of Industrial co-operatives should, however, note that the tests are to be applied to societies for small-scale industries and they should not indiscriminately be applied to cottage and village industries societies.

### **Promising Lines**

For further development, the Report has referred to certain promising lines of business, which include manufacture of light engineering goods, electrical goods lights, poles, cables, etc, and goods needed by the building industry such as doors, furniture, hooks, locks, etc. Labour contract societies have been passing along with other societies for tanning, leather workers, etc. and support of the existing societies and organisation of new ones according to prospects and demand have been recommended.

In many foreign countries, the industrial



co-operatives in the building trade including those which construct roads, buildings, bridges, etc. and those which produce goods required for the trade have not only been holding their own in spite of competition from private or joint stock concerns with larger resources, but their number, resources and business have been developing so much so that they almost overshadow the other types of industrial co-operatives. In India, labour contract societies have been mostly of the braccianti type, that is, of those who literally work with the "strength of their arms" with very simple tools. The building activities which involve the use of machines and technical skill are hardly ever found to have been co-operatively organised. Similarly goods required by the building trade are not co-operatively produced. Such simple goods as bricks used even by co-operative housing societies are not produced co-operatively. There is a great scope for development in this line which has failed to receive from the Working Group the emphasis it deserves, and, therefore, no special suggestions are made by them for organisation and development of such societies.

While discussing the administrative set-up, Shri M. P. Bhargava, who has appended a separate note suggests that the responsibility for promoting co-operatives should be squarely that of every head of Department in so far as the activities of his Department are concerned and in assessing his performances, the extent to which he has used the co-operative technique should be an important consideration. This is a radical recommendation which appears to

be impracticable because a unified approach in regard to policies, practices and procedures concerning the industrial co-operative movement cannot be ensured by the proposed arrangements. But the middle course which has been successfully tried in the Bombay State for forest labourers' societies deserves to be extended to societies for the building trade and also for transport. There has been a high-powered planning Committee for forest labourers' societies with the Deputy Minister for Forest as chairman and the Chief Conservator of Forests, the Additional Registrar for Industrial Co-operatives, the head of the Backward Class Department and other important officials and non-officials as members. A similar planning Committee with the Minister or Dy. Minister for the Public Works and Irrigation Departments as Chairman, and Secretaries to Government for the Departments, Chief Engineers, the Additional Registrar for Industrial Co-operatives, etc. as members to be constituted in each State so that the use so far made of building co-operatives for the works for which the P. W. D. and the Irrigation Department are responsible could be progressively increased and the difficulties in their working examined from time to time and solutions sought. Government should make this committee responsible for development of building co-operative and also of transport co-operatives. If transport is in charge of another Minister and Department in the Secretariat, the Dy. Minister and Secretary to Government for that Department should also be on the Committee.



The Planning Committee will then find out the needs of the societies regarding technical personnel, finance, procurement of contracts and materials, etc., and help in evolving arrangements for satisfying them. Concerted action by the Committee will certainly accelerate the progress of co-operatives for the building trade.

On the other hand, housing co-operatives are receiving considerable assistance from Government. Besides tax-exemption and other privileges, they receive long-term finance at moderate rates of interest. It should be considered the duty of such co-operatives to get their building work done through and their building materials purchased from industrial co-operatives. It is in a sphere like this that some kind of partnership can be established between Government, Local Bodies and housing societies on the one hand and building co-operatives on the other. As in the case of forest labourers' societies, even general profits or profits of specific works can by mutual agreement be divided between the worker-members of building co-operatives and Government, Local Bodies or the housing societies as the case may be.

If action is taken in right earnest on these lines, building co-operatives hold out great promise.

### **Profits**

While discussing distribution of profits, the following occurs in the Report :

"In Madras, the limit on bonus was fixed at an amount which together with

the dividend should not exceed 12 % of the paid-up share capital. It is now proposed to raise this limit to 40 %. We support this proposal as it will reward members generously for services rendered to the society and keep them loyal to the society."

There has been some confusion of ideas in this statement. The limit of dividend on paid-up share capital is prescribed in the Act and Rules and the limit of 12 per cent on the paid-up share capital for dividend and bonus is fixed at 12 per cent in Madras. The bonus on share capital is quite different from the bonus to be given to members to reward them for the services rendered by them to the society. The bonus mentioned in the case of Madras is additional dividend on share capital as in the case of the companies. But the bonus to worker-members which is co-related to the wages or salaries earned by them or to purchases or sales effected by them through their societies, has no relation whatever to the "bonus" and dividend on share capital for which a maximum limit has been fixed in Madras. There is no question of raising the limit of 12 per cent. In fact, no limit has at present been fixed in co-operative law for the bonus to workers based on their work or purchases or sales, except in the bye-laws and none need be fixed in future.

### **Model Bye-Laws**

Two sets of model bye-laws have been included in appendices K and L of the Report. Certain provisions such as probationary membership for one year, liability



of the member to be sued for damages if, on cessation of membership, he works in any industry having the same objects or purpose as the society within the area of operations of the society, power of the Managing Committee to suspend members pending action by the General Meeting, fuller powers for the Committee of control or supervisor committee including powers to call an extraordinary general meeting and recommended the removal of the Managing Committee or any member or member thereof, allocation of part of profits towards a provident fund for the employees in societies which can afford to do so, and greater emphasis on common good fund for member and non-member employees, are some of the features which are essential to producers' societies and which deserve to be incorporated in the model bye-laws in appendix K. The Report could have but has not been drawn on the model bye-laws of industrial co-operative societies in use in Bombay State which were prepared by the then Registrar after careful on-the-spot study of the industrial co-operatives in France and Italy, the home of producers' and braccianti societies respectively.

### **Marketing Societies**

The Report recommends that every State should have a co-operative apex marketing society for industrial goods both as a business and as a promotional body and that Government should take shares in it upto 3 times the capital subscribed by the societies and in any case not less than Rs. 10,00,000 for States like Madras, etc. It is not understood why this society is called a marketing society, because

according to the Report, the society should discharge functions which would include supply of raw materials and equipment, sale of finished products, obtaining orders from Government, Railways, etc. by tender or negotiations and arranging for their production and delivery by affiliated societies, recommending of loans and advances to banks for affiliated societies and if necessary guaranteeing their repayment, running a publicity and research section, etc. The society is expected to function in the districts through branches. Detailed suggestions have been made regarding branch advisory committees, Board of Management, recommending and guaranteeing of loans, creation of a guarantee fund, State aid, etc. Commodity federations are also considered permissible in case of real need.

The structure of industrial co-operatives in the Bombay State has been different with primary industrial co-operatives at the bottom, district associations for all industrial co-operatives at the district level and an association for all industries at the State level. It is not necessary to disturb this structure. All that is required is to strengthen and develop apex and district organisations and only in the case of real need, to have one or more industrywise central organisations. The recommendations regarding effective discharge of diverse functions by the apex society and adequate State aid to it, deserve to be implemented with suitable adjustments in the Bombay State.

### **Raw Materials And Equipment**

After describing the difficulties, the



Report makes suggestions regarding the systems to be followed for supply of yarn by apex organisations to weaver's societies. It also makes suggestions regarding increase of quotas of iron and steel and other commodities under control and even preferential treatment for industrial co-operatives, liberalisation of import of raw silk, some preferential treatment in price when Government has control over release and distribution of raw materials, etc. It also recommends sanction of loans on a liberal basis for seasonal purchase of raw materials and loans and subsidies for construction of godowns for storage of raw materials and finished goods. The suggestions are salutary and deserve to be implemented.

### **Provision Of Credit**

Much space and attention have been devoted to provision of credit. After discussing general considerations and types of credit requirements, the Report goes on to describe the existing State and central co-operative banks and district, regional and State industrial co-operative banks and their resources and performances. Information regarding the extent to which the State Financial Corporations, the State Bank of India, the Reserve Bank of India, the National Small Industries Corporation and Government have been useful to industrial co-operatives has been given in brief and the need for a switch-over to institutional finance has been emphasized. The report makes suggestions for greater part to be played by the State Bank of India and State Financial Corporations in the financing of industrial corporatives, the latter parti-

cularly for medium-term loans along with working capital.

The Report states that Government should take such steps as would inspire confidence amongst the institutional financial agencies and increase their readiness to finance industrial co-operatives. The steps should include an urgent programme for development of cottage and small-scale industries so as to increase their stability and prospects of survival, provision of technical and supervisory staff or services of such staff to financing institutions for the first two years or three years routing of Government funds to industrial co-operatives through the financial institutions and financial aids to strengthen the owned funds of industrial co-operatives with a view to strengthening their structure.

The appropriate banking structure for financing industrial co-operatives has been discussed in considerable detail and after examining the pros and cons, the Report generally favours financing of industrial co-operatives by central and State Co-operative banks and makes recommendations which would ensure that they would play an increasingly active role in meeting the credit requirements of industrial co-operatives. Appointment of an industrial sub-committee, earmarking of funds for financing industrial co-operatives provision for guarantee of loans and separate staff for industrial finance are amongst the measures which the Group has suggested for the purpose. The Report does not, however, rule out financing of industrial co-operatives by co-operative



industrial banks. It states that the overall objective should be provision of a suitable credit machinery to meet adequately the needs of industrial co-operatives. It adds that these needs would vary in different areas and at different stages of economic and industrial development, and for arriving at a proper judgement it would be desirable to adopt a pragmatic approach. The Report also acknowledges that the fact industrial co-operative banks other than the ones at Surat have yet to emerge as strong economic units does not imply inherent weaknesses or limitations of the banks, because all the conditions favourable for their growth did not exist.

So far as the Bombay State is concerned co-operative Council and even the Report of the Bombay Provincial Cottage and Small-scale Industries Sub-Committee of the Industries Committee which was published about 12 years ago, favoured agencies for industrial co-operatives. Whatever the financial resources of the existing industrial co-operative banks in the Bombay State, their sympathy, keenness and actual effort to finance affiliated industrial co-operatives have been satisfactory. The industrial co-operative movement in the State is growing at a rapid pace and this is the most appropriate time to establish more and more district and regional industrial banks in the State. It may be that some of the banks may not compare well in financial strength with ordinary central co-operative banks, but the extent of the finance for which an industrial bank would be responsible in the near future is much smaller than that of an

ordinary central bank. A great advantage for such banks would be that though in the initial stages they might require the assistance which has been recommended in the Report for all central financing agencies, they would grow with the industrial co-operative movement of which they form an integral part. Until, however, the whole financing of industrial co-operatives is taken over by industrial banks, the measures suggested in the Report for enabling ordinary central financing agencies to play an increasing and important role in industrial finance deserve to be adopted and should be expedited.

Amongst the general considerations which may, according to the Report, govern the policy of banks in regard to security of loans it states that co-operative central banks may ordinarily provide clean accommodation to an industrial co-operative society to the extent of its owned funds. This is likely to be construed by central financing agencies and is a retrograde suggestion. Small Industrial co-operatives situated in the mofussil and not very near a central bank or its branches, cannot expect to avail themselves of pledge or hypothecation credit or of factory-type advances, nor would they have adequate fixed assets on the security of which they can borrow from central banks. Such societies would be greatly inconvenienced if the suggestions made in the Report were indiscriminately carried out. Most of the Central banks have till now been providing clean accommodation to industrial co-operatives to an extent considerably larger than what is recommended by the Report and their experience of repayment of such



credits has on the whole been satisfactory.

After stating that combination of credit with supply and marketing in the same institution should be avoided, the Report goes on to discuss periods of loans, rates of interest, margins of co-operative banks, guarantee of credit, security of loans, precautions to be observed and conventions to be evolved, prompt payment for Government purchases, need for adequate staff for audit and supervision, promotion of thrift among members etc., and make suitable suggestions.

As already mentioned previously, the Report has not touched provision of credit to individual artisans or persons carrying on small-scale industries, particularly when the number of such persons carrying on a specific industry is not sufficiently large to enable them to organise themselves into a producers' or a resource society. Many artisans and workers have been pushed into the clutches of middlemen and are robbed considerably of their margin of profit on account of inadequacy of finance or high rates of interest and other unfavourable conditions attaching to the finance. Adequate and timely credit at moderate rates of interest and for suitable periods is a resource which they badly need for production and a credit society which supplies such need is an industrial resource or service society as it is termed in the Report. Wherever such a need is noticed, a credit society or a bank for producers engaged in cottage and small scale industries ought to be organised and there should be a programme for organisation of such societies. The credit granted

by the societies or banks to their members should be linked up with supply of raw materials and marketing of their products by industrial marketing organisations like district industrial co-operative associations. It is noteworthy that after providing finance to affiliated societies adequately to the extent of over Rs. 35,00,000 the three industrial banks of the Bombay State have fulfilled the needs of its individual members for industrial finance to the extent of nearly Rs. 10,00,000. This is an additional reason why industrial co-operative banks ought to be preferred to ordinary central financing agencies.

### **Markets**

After narrating the difficulties of marketing the products of industrial co-operatives and the principles of successful marketing the Report describes the existing marketing arrangements made by the All-India Handloom Board, the Khadi and Village Industries Commission, the All India Handicrafts Board and the National Small Industries Corporation. It also mentions that the common organisation of industrial co-operatives for marketing purposes has been an apex organisation of industrial societies in India. The Report stresses the importance of production against specific orders and of goods for which there is local demand from rural consumers or from big industrial units.

Need for standardisation, finance for marketing, link-up with large-scale units, promotion of foreign markets, publicity etc., have also been discussed. It has been recommended that the management of the several emporia which had to be started



under the auspices of State Government or certain specialised organisations, may, wherever possible, be progressively transferred to suitable co-operative institutions.

As referred to previously, no suggestions are contained in the Report for establishing *ad hoc* or organic connections between producers' organisations and organisations which sell consumer goods to their members. Organic connections between consumers' and producers' co-operatives resulting in a co-partnership between the producer and the consumer, has been the most potent factor in the success of industrial producers' societies in the U. K. and in some of the countries in Europe. The plea that is often set out that consumers and producers have conflicting interests and, therefore, they should be included in the same organisation has been falsified by the co-partnership producers' societies of the U. K. and even by the *ad hoc* or other joint committees serving as a liaison between consumer societies in the U. K. and agricultural producers' societies in countries like New Zealand. Producer consumer partnership of organic or *ad hoc* contacts, would benefit the producers by a steady market for their goods and consumers by ensuring the supply of goods of the required quality at moderate or standard rates. As in the U.K. arrangements could also be evolved by which profits are divided amongst worker-members and consumer co-operatives. In India, consumers' co-operatives are not strong. But those which are strong and strong agricultural multipurpose or purchase and sale societies which at present supply or can in future

supply consumer goods to their members could establish *ad hoc* or organic connections with industrial producers' co-operatives. Even if full-fledged co-partnership does not come into existence at once, bye-laws of industrial producers' societies and their federations on the one hand and societies selling consumer goods to their members and federations of such societies on the other hand, can provide for exchange of nominated members on their managing committees or Board of Directors.

### Stores Purchase

The Working Group has started that the Central and State Government might secure large orders from the Railways and other State industrial enterprises and take steps for being executed by industrial co-operatives according to specifications and under competent supervision. Similar general recommendations have, however, been made by others in the past also. It is not certain how far the general recommendation will go and whether it will be more fruitful than the definitely accepted preferential stores purchase policy of the Union and State Governments, which has failed to yield substantial results in most of the States and even at the Centre.

Detailed measures have been suggested in the Report, including increased marginal preference to products of industrial cooperatives with a view to exploiting the great potentialities for assistance to cottage and small-scale industries from the expanding role of the State in the economy of the country.

The Bombay State has laid down specific rules regarding the stores purchase policy



of Government. They are, on the whole, implemented satisfactorily. Some of the most important provisions of the rules do not find a place in the measures suggested in the report. For example, when tenders are invited and the lowest tender is for supply of products of large-scale industry and the prices quoted for cottage industries products are higher even after allowing for the prescribed price preference margin, it has been made obligatory on the Stores Purchase Officer to communicate the lowest tender to the co-operative tenderer for products of cottage industries to enable it to consider whether it would be prepared to lower its tender so as to bring it within the prescribed margin, and the latter is given the opportunity of first refusal. Moreover the method of fixation of 'standard rates so that the tendering may be dispensed with altogether has not been considered in the Report. There is a contingency that tenderers who are not co-operative may quote rates which are uneconomic and suffer the consequential losses for a year or so with a view to ousting the co-operative tenderer once for all. If the Store Purchase Officer is convinced that the lowest tender from a private party is based on uneconomic rates, it should be his duty to reject the lowest tender and to entrust the supply to a co-operative organisation. As provided in the Bombay rules, it is also necessary for enabling cottage industries to produce the required goods, that indenting officers should be asked to see that the specifications laid down by them are not unduly high. These are highly important

matters which, if they had been suggested by the Report and accepted by the Centre and States, would have greatly facilitated production and supply of stores by industrial co-operatives to Government.

### Training And Education

After emphasising the need for co-operative training, information regarding training schemes of different All-India Boards and the Khadi and Village Industries Commission and those run by the Central Committee for Co-operative Training established by the Government of India and the Reserve Bank of India has been given. The schemes of the All-India Co-operative Union for member education and the need of education of the general public have been referred to. A review of existing arrangements and requirements of technical training has been suggested and suitable recommendations have been made for utilisation of co-operative societies for the purpose of popularising on an extensive scale, improvements in production techniques. Co-operation should, according to the Report, be included as a subject in the syllabus for technical training. It has been rightly suggested in the Report that the education programme for the members and office-bearers of industrial cooperatives should incorporate the special requirements of industrial co-operatives and the instructors who undertake the education work should themselves be specially equipped for the purpose. This should apply to all the training courses conducted by co-operative unions, State Governments or the Central Committee for Co-operative Training, for training



secretaries, managers, supervisors inspectors, organisers, etc.

### **Administration**

The Report describes the different types of widely varying arrangements in force for the administration of industrial co-operatives in different States. The Report does not lay down a uniform administrative pattern for all States. A suggestion has, however been made that when there are more officers than one exercising the powers of the Registrar, one for industrial co-operatives and another for other co-operatives, the work of the Registrars should be properly co-ordinated by appointing a Registrar-General or by designating the senior Registrar as Registrar-General or by constituting the two or more Registrars in to a single board with the senior Registrar as Chairman. The Report is right when it stresses the point that Registrars of Cooperative Societies should not be disturbed from their posts before completion of at least 5 years. Cooperation and liason between different Administrative Departments and Departments in the Government Secretariats have been suggested and suitable recommendations made. Set-up for field staff, technical staff for industrial cooperatives, and supervision and audit have also been discussed and a great deal of responsibility has been placed on Governments. It has been recommended that supervisory staff should be employed by the Co-operative Department in all states exclusively to deal with industrial societies

generally at the rate of at least one inspector for every ten societies and that audit should be provided at the rate of one auditor for every 20 societies of average size. No suggestions have been made in the Report for association of non-official organisations with the system of supervision so as to make it more popular and fruitful. In the Bombay State, a Committee in district industrial associations has already been instituted for this purpose.

### **Other Related Matter**

The subjects of women's organisations and co-operative housing of artisans and small-scale industrial workers have been discussed. Certain financial assistance for training schemes, supply of tools and equipment, free service of managerial staff, preferential purchase of the products of women's societies and appointment of women organisers have been recommended. The special scheme of housing weavers worked by the Handloom Board has been described and it is recommended that aid similar to that visualized under the scheme may be extended to other cottage and small industries workers organised on co-operative lines.

### **Recommendations**

The Report concludes with a summary of recommendations which number 120.

### **Separate Notes**

Two of the members of the Working Group Shri M. P. Bhargava and Shri L. C. Jain have signed the Report subject to separate notes which have been attached to the Report.



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steel, cement, fertilizers, electricity etc. That is, we must not waste our meagre resources of foreign exchange to import non-essential consumer goods, or machinery for the manufacture of consumer goods which can be produced within the country by idle hands to work. Expansion of small scale and village industries would create employment all over the country, increase the supply of cloth and other consumer goods made by hand labour and improve the level of living without hampering the expansion of basic industries."

### Imitation Is Suicidal

If development plans incorporate the significant contents of what Mahalanobis has said, it is possible to visualise a situation in which development of basic industries can be beneficial to the organisation of production efforts on the widest possible front in the country. These are however, matters which require deep thinking, careful analysis, and judicious application. Without going into the details of this aspect of planning for development, however, we can say that it will be suicidal to imitate the pattern adopted by industrially developed countries-communist or non-communist. The Economic and Social Council of the United Nations which investigated the problems of industrial development in under-developed countries also stressed the same point when it said : "Under developed countries today have one notable advantage over those that were industrialised during the eighteenth and nineteenth centuries : there is a vast fund of knowledge and experience to draw on and for the most

part the experiments and mistakes of European countries need not be repeated. In view of the fact that the social and economic environment that exists in most under-developed countries has many features which are unfavourable to industrial growth, however, it is probable that governments will have to play a more positive role in guiding investment, preparing the factors for more productive employment and assisting in the mutually beneficial adjustment of human and industrial needs than was the case in most European countries – especially if the rate of industrialisation is to be accelerated."

### At What Price?

By avoiding the mistakes these countries committed in the course of their development following industrial revolution, India can build up a pattern of socio-economic organisation which will eliminate frictions and promote maximum co-ordination, co-operation and welfare among the people. The price that Western countries have paid for their spectacular development in technology is best summarised by Mr. Wilfred Wellock in the following words : "The spiritual decline of the West during the last century, (symbolised in its present "Satanic civilisation" with its growing fears and war preparations), has been primarily due to the fact that the making of riches became the primary motive behind the Industrial Revolution. Hence there is great danger of pursuing a particular form of industry merely because it yields the maximum quantity of goods. But along with the quality of the production must also be considered, individuality and



variety, and what is much more important, the quality of human personality. An industrial set-up which turns out millions of articles, every one of which is the spit of the other, produces a dead monotonous world, and also, which is much more important and dangerous, a uniform man, the mass-man of industrial West, who has made possible, and even become the basis of, the totalitarian State. Moreover, the producers of uninspiring monotony do not do this for love, but for money, while workers condemned to repetitive labour which requires neither skill nor intelligence can only endure such human indignity for the sake of the means to live. Hence mass production carried out on a vast scale involves human degradation all round and the infection of the whole of society with the canker of the materialism. There is this also to be said. Many Indians claim that maximum mass-production development is necessary in order to raise the standard of living of the poorest, and in the quickest possible time. The fact is, however, that the masses of India's needy live in her 5,50,000 villages, and were the new mass-produced goods of India presented to them for purchase tomorrow, they would not be able to buy them. Only the few workers would be able to buy them who had been brought from the villages into the new factories. What then would happen? This is what would happen. Most of the new production would have to be sold on the foreign market, as Indian textiles are to-day, since they constitute an important item of India's exports, even while

scores of millions of villagers do not possess more than one square yard of cotton cloth each. Hence instead of the new industrialism solving India's poverty problem, it would stimulate the class war and hasten the march of Communism."

### **Misplaced Emphasis**

This consequence is seldom realised even by those who shout loudest against totalitarianism. What is unfortunate in the economic thinking in India is the tendency to misread European history by attributing too great an importance to the Industrial Revolution and the great strides in technology which followed it. It is seldom recognised that the Industrial Revolution was but an upshoot of the Agricultural Revolution which preceded it and the Transport Revolution which accompanied it, and thus made possible the opening up of the primary resources of the new world. These revolutions took place, it should be remembered, "after a long period of social and economic change which prepared Western Europe for the advent of Industrial Exchange Economy and to overlook many actions, some quite recent, with the relative neglect of primary activities even in some of the industrially advanced countries has been the cause of serious interruption in the course of economic development."

### **Lesson From America**

The point is vividly illustrated by the situation in the United States of America which is foremost among the industrialised countries. That the truth of the old saying that "all that glitters is not gold" is vividly brought out



by Mr. William F. Schnitzler, Secretary-Treasurer, AFL-CIO. He places the economic situation in America in its proper perspective ;

"The problems of the Western industrialised nations and most certainly those of the United States of America are :

high levels of unemployment as well as substantial degree of underemployment;

much unused industrial capacity;

a false notion that inflation is not only with us but about to stifle economic growth;

preoccupation with budget balancing;

a resistance on the part of the Federal Government to meet its necessary obligations in the public sector of the economy;

and a slight drop off in exports.

#### **Common Problems**

"On the other hand, the problems of the lesser developed countries around the world are somewhat different but complementary.

Unemployment and certainly high levels of under-employment;

instability in world commodity prices causing income and earning capacity of the nations to fluctuate widely ; developing restrictionist and protectionist policies by some of the industrialised nations regrettably not excluding my own country;

the low level of per capita income, the great need for industrial development of the private as well as the public sector of the economy :

"These are but some of the problems confronting all of us. Certainly the level

of economic activity in the industrialised nations has its effect upon the demand for trade with the lesser developed countries. Let us not be confused, however. A high level of economic activity in the industrialised world would not in itself relieve the conditions that exist in many parts of the rest of the world. Low per capita incomes, commodity price instability, inadequate level of public and private investment would still be with us.

"It is just one month short of a year since we touched bottom in the recent recession in the United States. Many analysis of the American economy are quite optimistic about economic recovery. They point to rises in the industrial production, gross national product, namely the total dollar value of goods and services produced, the pick-up inventories or stock on hand at the manufacturing, whole-sale and retail level, the slight, but only slight pick-up in business investment, the rise in consumer incomes, and say all looks well for 1959. They add we are well on the road to recovery with a prospective rise of 6 to 7 per cent in the real value of goods and services produced this year.

#### **Startling Facts**

"However, some of these same analysis fail to point out that the rate of recovery since September and October 58 has levelled off, *that unemployment is still more than six per cent of the labour force, that over a fifth of the capacity of American Industry lies idle*, that the increased production of steel has more to do with a prospective or anticipated strike in July than it does with demand and orders for



finished steel. That automobile production, while certainly higher than in the recession of a year ago, is still behind previous peak levels.

"We in the AFL-CIO cannot conceive of saying we have full employment, production and purchasing power *as long as more than 2 to 2½ per cent of the labour force is unemployed*. Not only are our unemployment rates high, but more than 20 per cent of our industrial capacity lies idle. We can produce 8 to 10 million cars a year, but if 5½ millions are turned out in 1959. It will be a lot. We can produce almost 150 million tons of ingot steel, but if more than 115 million tons are produced in 1959, it will be spectacular. I could go on listing, other industries but I won't take the time. Let me try to dramatise the situation in this way. If we compare the present level of production in certain industries with those that existed prior to the 1957-58 recession, we find some startling facts.

"The United States is now producing a little more steel than it turned out in late 1956 and early 1957, but with 10 to 15 per cent less employment. That means 10 million tons of steel a month with 50,000 fewer workers. Even if the industry were to use its entire capacity which today is 30 million tons greater than in 1956, employment would still not reach previous levels.

"The auto-industry in December 1958 was producing at a rate of only 4 per cent less than that of December 1956, two years earlier, but with 20 per cent fewer workers.

"The railroads are carrying as

much freight as in late 1957 but providing 10 per cent less employment.

"The coal-mines have been equalising output, levels of a year ago with 15 per cent fewer workers.

"While total unemployment is 6 per cent of the labour force, the rate of unemployment in certain of our basic industries remains dangerously high. For example, in building construction, the unemployment rate is almost 20 per cent in clothing, mining, autos and textiles, it is over 10 per cent.

"Our problem in United State is still high: intolerable levels of unemployment, idle industrial capacity and an extreme sense of complacency about economic growth and expansion on the part of the leaders of our Government from President Eisenhower down.

### **Phantom Inflation**

"Our President and his economic advisers seem to be preoccupied with what they call inflation. For the past year our wholesale price index has been stable. Our consumer or retail price index of cost of living items has been stable now for nine months. As a matter of fact, the average annual rate of price increases in the past decade is about 1½ per cent as compared to a rate almost twice that amount if we look at the last six decades as a whole since 1897.

"In the face of these facts, the United States Government, from the President down, is insisting on fighting what we at the AFL-CIO have repeatedly called "a phantom inflation". Our administration is insisting at all costs that a Federal budget be balanced, even at the expense of great unmet social means in the public sector



of the economy. As a matter of fact, in the past two weeks our government has taken the drastic step of further increasing the interest rate of our central banking system. This places the interest rate at a level equal to what it was just before the American economy started its down-hill slide, almost two years ago. The AFL has repeatedly addressed itself to the economic situation in the United States. A year ago just at the depth of the recession, we held a large economic and legislative conference in Washington. We advocated a positive and affirmative programme designed to bring about full employment, production and purchasing power. Instead of our Government's acting affirmatively, it dragged its heels and let things go almost as they wanted. Thanks to the many built-in economic recovery items enacted into law during President Roosevelt's and President Truman's administrations, the economy slowed down its rate of decline and eventually started upward.

"But here we are 11 months after the low point of the recession and we have recovered 95 per cent of the loss in manufacturing and industrial production, but have regained only 35 per cent of the lost jobs. The technological advances and automation of recent years have made this possible. Our problem is therefore still grave and critical".

### Food For Reflection

What Mr. Schnitzler has stated calls for careful study and appreciation. Here is a convincing answer to those who decry schemes for development of small industries, particularly Khadi and Village Industries

with their immense employment and economic potential, and adulate the virtues of modern industrialisation and its so called snow-ball effects in creating more and more employment and economic activity in the country. What is significant in Mr. Schnitzler's statement is that large-scale industrialisation and its "snow-ball effects" are no preventers of high levels of unemployment as well as underemployment. Nor does it eliminate low per capita income and commodity price stability. Moreover, technological displacement of labour raises more complex and acute social problems. Many thus displaced tend to crowd on the land. This is what happened in India since the destruction of her home and village industries and occupations by the British. This is happening today in America as a result of the application of higher technology and automation to industry. Of late there has been disturbing talks about "recession" in America and the grave unemployment situation. Though attempts are made to belittle its gravity. Mr. Schnitzler has brought out its grave significance. But the Bulletin issued by the United States Information Service reports a decline in unemployment figures and rise in employment. But "the employment rise reflects chiefly *agriculture* and *construction* employment. Agricultural employment for March rose from 500,000 to a total 520,000." Thus we see the problem in the proper perspective.

### Triple Objectives

Industrialisation and the application of modern technology does not answer the questions of balanced economic development of the country, development of the



human personality and of social cohesion and welfare. Any development which does not result in the consummation of the triple objectives defeats the purpose of development itself. It is in this context that development of small industries, especially khadi and village industries, gains an extra-ordinary significance for India. This is not a passing phase in the schemes of reconstructing India. In it are engraved the principles governing a new way of life and approach to the problems of living. To the extent the development schemes for these industries gather momentum, to that extent will the conditions be created for the growth of an efficient and effectively organised system of decentralised economy. The future lies with the decentralised pattern of economic and political organisation, for, that alone ensures peace, prosperity and plenty for all. Shri Manubhai Shah Union Minister for Industries did not exaggerate when he told the Small Scale Industries Board the other day that "In view of the rapidly increasing population, intensification of all the programmes of small industries throughout the country was not only inevitable, but also most desirable from the national point of view." He emphasised the need for removing regional disparities in national development and said that it would mean some immediate loss or less returns. But, unless every industrially backward district, or region was provided with the wherewithal of organisation and development in the field of industrialisation, we will not be able to achieve the overall national dynamism and

satisfaction, so much needed for national industrialisation."

Shri Shah also explained the nature of organisation that will be reached. He said :

"We must have the District as a unit. Once they provided in every State, both at the State and District level, sufficiently competent technical and administrative man-power and organisation to foster the growth of small industries and if the local entrepreneurs in every town and village, were organised into small industries, mandals and associations, we can break the back of this problem of disparities in a decade or two.

This development is a self generating process. It activates itself like a snow-ball. Industry is like an adventure. It is like a habit. The appetite grows in an infectious manner, once the right climate and environment are created. After a period of time, the momentum generated by itself will be self-propelling and the external props and aids will not be much needed. Therefore, from the vital angle of removing disparities, I would plead that the national provisions for small industries must be higher in the Third Plan and that increased allocations should be allotted in a major way to the industrially under-developed districts and area."

The case for the development of small industries cannot have more strongly and logically put. How much more so should be the justification for the promotion of Khadi and village industries which alone can activate millions in the remote parts of the country - millions who used to live in idleness and sloth.



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Constituted under Clause 10 of the Commission Act

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— RABINDRANATH TAGORE

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सत्यमेव जयते



# KHADI GRAMODYOG





# KHADI & VILLAGE INDUSTRIES COMMISSION

Established under the Khadi and Village Industries  
Commission Act (Act No. LXI of 1956)

## MEMBERS

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| 3. Shri R. Srinivasan           |           |
| 4. Shri Dwarkanath Lele         |           |
| 5. Shri Annasaheb Sahasrabuddhe |           |

## FUNCTIONS OF THE COMMISSION

1. The functions of the Commission shall generally be to plan organize and implement programmes for the development of Khadi and village industries.
2. In particular and without prejudice to the generality of the foregoing power, the Commission may take such steps as it may think fit
  - a. to plan and organise the training of persons engaged in the production of Khadi or in village industries.
  - b. to building up a reserve of raw materials and implements and to supply them to persons engaged in the production of Khadi or in village industries at such economical rates as may be suitable in the opinion of the Commission.
  - c. to provide for the sale and marketing of Khadi or of products of village industries.
  - d. to encourage and promote research in the technique of production of Khadi or in the development of village industries, or to provide facilities for a study of the problems relating to Khadi or village industries.
  - e. to maintain or assist in the maintenance of institutions for the development of Khadi or village industries.
  - f. to undertake, assist or encourage the production of Khadi or the development of village industries.
  - g. to promote and encourage co operative efforts among manufacturers of Khadi and persons engaged in village industries.
  - h. for ensuring the genuineness of, and for granting certificates to producers of or dealers in, Khadi or the products of any village industry.
  - i. to carry out any other matter which may be prescribed.



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# KHADI—GRAMODYOG

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## “NONE SO BLIND”

( By VAIKUNTH L. MEHTA )

The cotton textile industry is about the oldest and most well-established large-scale industry in the country. It is well-organised and the various associations of mill-owning interests have at their disposal statistical material of a type not collected probably for any other sector of our economy. It has seen — to use a colloquism — its ups and downs. The country goes to rack and ruin, according to its spokesmen, when it is faced with a depression ; but the moment the depression shows signs of lifting, all the lessons it should have taught are forgotten. Like the proverbial Bourbons, wide-awake, alert-minded, well-served as these interests are, apparently they never learn.

Because in the wake of the First Five Year Plan, there was a fair demand for the gradually increasing quantities of cloth the millowners' organisations, in order to secure for themselves a larger allocation under a common production programme,

led the Government and the gullible among the public to believe that the reduction of stocks with mills indicated a spurt in the demand of such magnitude that the country would be faced with a famine of cloth unless the mills got a free hand for expanding production. Although statistical evidence did not show a per capita consumption higher than 16 yards, no figure of consumption was too high for the interests to justify their claims, — a per capita consumption of even 25 yards having been seriously put forward at the time by several leading mill-owners.

Vocal and influential as these interests are, they were able to induce the Ministry of Commerce and Industry to sponsor a proposal to accept 20 yards as the level of consumption to be reached by the end of the Second Five Year Plan. Fortunately, this view did not find favour with the Village and Small-Scale Industries (Karve) Committee which accepted 18.5 yards



as the average per capita consumption as the basis for its recommendations. This basis was accepted by the Union Government, much to the chagrin of the interests who even then did not hesitate to speak in terms of a cloth famine. This outcry led the Union Government to hold that inasmuch as additional profits might accrue to the industry because of scarcity conditions, it would be proper to appropriate a portion of these adventitious profits for the community through an increase in the excise duty on cloth.

Since, however, there was no actual scarcity and since demand showed no expansion, the shortage was almost immediately followed by a glut the like of which, the millowning interests urged, had never been witnessed before, forgetting that they themselves hardly a year earlier had spoken in similar extravagant terms about the reduction in stock with mills. In this new situation they were able to get the Union Government to reduce the scale of the excise duty. Even then, though stocks have now begun to move after a lapse of over a year, the level of consumption is nowhere near the figure accepted by the Union Government for its cotton textile programme.

However, now that we are on the eve of the discussion leading to the Third Five Year Plan, the tale of woe and distress is left behind because the mill-owning interests want the planning authorities to agree to a large and rapid expansion of their production. For 1958 the figure of per capita availability of cloth was 16.7 yards; and the Indian Cotton Mills Federation expects it to go up to 17.5 yards by the

end of the period of the Second Plan. This figure, the Federation and those on whose behalf it claims to speak forget, is lower than the figure of 18.5 yards accepted for the policy declaration of 1956, and much lower than 22 yards estimated by the interests concerned. Undeterred by the exposure of their previous calculations, the mill owning interests expect per capita consumption to go up to the figure of 20.3 yards by the end of the Third Plan period. They fail to read the lessons of the crisis of 1956-58 which, in a sense, was of their own making because of their going in for over production to meet a growth in demand that never materialised.

On the basis of this estimated rise in the per capita demand and the growth in population that will take place, the Federation calculates the aggregate requirements for cloth by the end of the period of the Third Five-Year Plan to be of the order of 9,600 million yards inclusive of a quota of 800 million yards for export. This represents an increase of 1,600 million yards of which so large a portion as 1,200 million yards, the Federation claims, should be allotted to the mill sector. The Federation argues that the allocations it suggests are in proportion to the targets that were indicated for the period of the Second Plan. If the reference is to the textile policy declaration of June, 1956, this would be an incorrect statement to make. While for the mill sector the figure indicated was 5,000 million yards, for the non-mill sector the figure was 3,000 million yards, inclusive of 150 million yards that were reserved for later allocation. Incidentally, aggregate



production has not yet reached these levels, particularly because, in view of the sluggish demand for cloth, textile mills had to reduce their production from the high levels it had reached. Apart from this, it should be pointed out that the pattern of allocation which the Federation considers fair is to raise the allocation for mills by 1,200 million yards, while allowing to non-mill sector an increase of a bare 400 million yards.

Years ago, the Central Government had taken the decision that there should be no increase in the installed weaving capacity of textile mills, as it was the considered State policy to encourage the development of a reorganized handloom weaving industry to the largest possible extent. As a result of its study of the potentialities of the handloom industry and of the probable demand for cloth, the Karve Committee came to the conclusion that this decision was thoroughly justifiable and that no additional looms need be permitted to be installed during the period of the Second Plan. It is a reversal of this policy that the mill-owning interests now seek, because it is difficult to visualize an increase in mill production of the order of 20 per cent without the installation of additional looms or the introduction of automatic looms for meeting the internal demand.

In case this point of view finds acceptance, the inevitable result will be to place a curb on the expansion of the production of the reorganized handloom weaving industry. The policy to favour such expansion

has been with the two-fold object of providing fuller employment through that industry and of raising the level of earnings in that industry. Organized as it is and with the resources that it can command, the mill sector can proceed with its programmes of increased production and larger corresponding profits, while the handloom sector will feel the impact of intensified competition all the time. The prospects for its reorganization as an integral part of our economy will get dimmed. The expenditure incurred as part of economic policy on the reorganisation of the handloom industry will, in a few years, be rendered infructuous in case the thesis propounded by the Federation of Indian Cotton Mills is accepted by the Planning authorities and the Central Government.

With the experience we have had in the past four years of an inelastic demand for cloth, what the effect of the type of expansion that is urged by the mill-owning interests will have on the finances of the mills themselves, one may note, is a matter that affects not only these interests, but the community as well. Under a planned economy, investment has to be so designed as to yield the maximum results and to entail the minimum of loss. Financial loss is hence a matter of national concern particularly when resources are scarce. It is because financial resources are scarce and man-power is abundant that the planning authorities give preference, in the context of our present economy, to the growth of labour-intensive industries in the production of consumer's goods in common



demand. This is, however, an aspect of economic policy to which mill-owning interests have not been able to reconcile themselves, since it runs counter to their propensity to increase their resources and to dominate the economy.

## ORGANISE MASS PROTEST

News comes from Madhya Pradesh that the Marketing Society functioning under the Jaithari Block (Shahdol) is making arrangements to set up a new rice mill in the area. While the Society hopes to invest a sum of Rs. 40,000, it is stated that the Madhya Pradesh Government will provide the rest of the capital required, namely, Rs. 1,20,000.

This is an alarming news, especially when it is known that two rice mills in that region had had to close down for want of adequate supplies of paddy. The region is well-known as a rice growing area. Handpounding of paddy is the traditional occupation of the people in the region. In fact, in the local Mandi, handpounded rice is said to be the principal article brought for sale and to hundreds of families in the region, handpounding is their main source of living. It is, therefore, unthinkable even in ordinary circumstances that a rice mill would

be set up there.

We believe that the Madhya Pradesh Government has not taken a final decision in the matter and that the issue of licence has not been authorised. We also believe that the local authorities will be asked to submit a report after a proper survey of the area in which the new rice mill is proposed to be set up before any action is contemplated.

While action by the State Government is necessary in this direction, immediate steps must be taken by constructive and field workers to carry out their own survey, mobilise public opinion and submit a mass memorandum against the issue of licence to the proposed new mill or for the revival of the defunct mills in the area. We hope that the Organiser for Handpounding Industry will take note of this alarming development and take appropriate measures to prevent the erection of a rice mill or the recommencement of work by defunct mills.



# GANDHIAN PHILOSOPHY OF INDUSTRIALISATION

( By B. M. PATEL )

Gandhiji was not against industrialisation, machine, science and technology. A close associate of Mahatma Gandhiji, Acharya Kripalani, has aptly stated: "I have, in fact, never seen a man more scientific in spirit than Gandhiji. He was, throughout his life, experimenting with himself, with food, with agriculture, with almost everything and he did it in the most scientific way possible. He was not against machines. He was not against machinery".

## Not By Factories

Building up of modern industries requires time, heavy machinery, technical skill and organisation. These cannot be provided without forethought, preparation and well-co-ordinated efforts in a country like India which lives in the villages. The process of building a new India, therefore, raises fundamental issues which Mahatma Gandhiji posed before the country for three decades with great courage, lucidity and force. Gandhiji wanted to introduce many new things in India suited to Indian genius and tradition. He had said in "India of my dreams" that "my Swaraj is to keep intact the genius of our civilisation. I want to write many new things, but they must all be written on the Indian slate".

The industrial development of a country

does not necessarily imply the growth of monstrous factories. It is not necessary that all productive plants should be of the largest possible size. The extent of the country and the dispersal of its vast population demands that our industries should be organised on a village, cottage small and medium size. The advantage in small size and cottage industries are that these involve hardly any expenditure on labour and very little expenditure on land or buildings. The agriculturist has a certain period of enforced idleness. The farmer finds himself without sufficient work in off seasons. It is at such times that he can utilise his and his family's labour in producing things in his own house with simple implements. The agriculturist has seldom to pay extra rent for buildings for producing these articles. He is often able to get raw materials in his own village or from one nearby. He, thus, saves the cost of transportation. The agriculturist can dispose of the output of his industry in his village or in neighbouring villages.

## Evils Of Industrialisation

Industrialisation of the Western pattern results in centralisation of economic and social power, in extreme inequality of income and wealth and in displacement of



human labour and, therefore in adding to unemployment which is already colossal in our country. To Gandhiji, the outcome of such industrialisation is violence, exploitation and concentration of power. "God forbid that India should ever take to industrialism after the manner of the West", Gandhiji observed in a letter to a big financier. Gandhiji laid emphasis on Khadi and Village Industries, because they stand for rational relationship between man and nature. Once man establishes his relationship rightly with nature, he will be able to find peace within. The two are closely linked and are inter-dependent. "Khadi is the sun of the village solar system. The planets are the various industries which can support Khadi in return for the heat and the sustenance they derive from it. Without it the other industries cannot grow."\*

### Build From Below

Vinobaji attaches the highest importance to the urgent need of building up the national economic life from the bottom. He strongly feels that planning from above in a centralised fashion is suicidal both to the community as well as to the individual. Although some amount of centralisation would be necessary for a big country like India in respect of general direction and guidance, he feels that the village communities should be given substantial initiative to regulate their own social and economic life in the village or group of villages. In the absence of decentralisation or devolution of authority, the individuals and the rural communities are likely to be converted into mere

cogs in the huge machine of planning without any opportunity to undertake local responsibilities. According to the basic principles of Sarvodaya, it is necessary to organise society in such a manner that the interests of both the individual and the community are properly harmonised and there is full scope for the development of both.

### The Way Of The West

"In the final analysis, the question, Machine vs. Human Labour, in our country is of the same origin. As things are, mechanical advancement has gone too far ahead of the development of human personality. Man is becoming a greater and greater slave to the machine and is in imminent danger of losing himself. When people say that we of the non-violent school are against machinery, they are uttering a truth in a relative setting. Machines are good, but if we have not developed sufficient control over ourselves, they will lead us into the path of violence and destruction. All this feverish planning for rapid industrialisation as a postwar reconstruction based on capital goods imported from abroad is sure to deal us along the way all industrialised countries have gone on the high road of violence, imperialism and destruction. Discretion dictates caution. Shall we need it? Or shall we in our pride of achievement head for a fall"? \*

"But most of the workers of the developed economy leave home in the morning, and their children do not see them again till evening, nor do they always know what

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\*Gandhiji, Harijan 16-11-1934.

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\* J. C. Kumarappa, Gramodyog Patrika, September, 1945.



work their parents are doing, still less learn by working alongside them. The family exists only in the dormitory suburb, and the claim of work compete with rather than strengthen it". †

Our material advance should be in consonance with our circumstances, history and the genius of our people.

### The Primary Factor

Shri Nehru has rightly summed up the main theme of all development activities. He says : "The final things are not factories or river valley projects or even universities. They are only the ways and means of creating the finest human beings. It was the human being which was the primary factor and factories and universities would be just bricks and mortars if they do not lead to the achievement of the objective".\* Gandhiji says : "I would add that scientific truths and discoveries should first of all cease to be the mere instruments of greed. Then labourers will not be over-worked and machinery instead of becoming a hindrance will be help". §

### The Alternative

What is the alternative to industrialism? Should all nations, willy nilly go the Western way? It must be remembered that the laws of economics vary in their application to different conditions. Their way cannot, therefore, guide us beyond a certain point. What is true of the West is not necessarily true of India in all its aspects and applicati-

on. "We know, too, that each nation has its own characteristics and individuality. India has her own, and if we are to find out a true solution for her many ills, we shall have to take all the idiosyncrasies of her constitution into account and then prescribe a remedy." ‡ Therefore, to claim to industrialise India in the same sense as Europe, is to attempt the impossible.

### The Gandhian Way

In reply to a question whether he would industrialise India, Gandhiji replied :

"I would indeed, in my sense of the term. The village communities should be revived. Indian villages produced and supplied to the Indian towns and cities all their wants. India became impoverished when our cities became foreign markets and began to drain the villages dry by dumping cheap and shoddy goods from foreign lands".\* He would industrialise the villages, but not in the normally accepted sense of industrialisation. Industrialisation is synonymous with mass production. "Mass production is a technical term for production by the fewest possible number through the aid of highly complicated machinery". †

The evils of industrialism may be briefly summarized as under :

- i) concentration of capital and power in the hands of few,
- ii) growth of parasitism – wealthy and middle classes upon the working classes, the cities upon the villages

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† Prof. Phelps Brown, "Economic Growth and Human Welfare."

\* Nehru – At A Poona University Function held on 1st August 1956.

§ Harijan, 13 – 11-1924

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‡ Young India, 6-8-25

\* Harijan, 27-2-1937

† Harijan, 2-11-1934



and industrial nations upon the agricultural nations.

- iii) clash of capital and labour.
- iv) the widening of the gap between the "haves" and the "have-nots," resulting in glaring inequalities; and
- v) aggressive expansion on commercialism with an insatiable material ambition at one end and consequent spread of poverty at the other.

### The Choice

The American Ambassador in India, Mr. Bunker, recently said: "India would build an economic and social system suited to its own particular needs and genius, just as Americans had done in the United States. The methods by which a vast, new, sparsely settled continent had been developed over a long period of time were not all suited to a densely populated country, rich in ancient culture, yet long quiescent. Mr. Nehru had made an "interesting observation" that in India and in other newly independent countries political independence had preceded economic independence. While in Europe

and the United States the reverse had been true. This meant that in the economically underdeveloped areas, people's wants had become pressing before the means to satisfy them were available. The speed and scope of development, therefore, had become an urgent consideration". \*

Can the country and the people wait till those means become available to them? This is the crux of the matter. This again is the 'raison d'etre' of the more urgent need to activate into a mighty productive force of the long quiescent masses. Long years of neglect, deprived of their traditional occupations, these masses have sunk into torpor. They should be shaken up into living dynamos. Sustained and determined efforts to create work opportunities and operative facilities and incentive can achieve the task. That is the logic behind development of Khadi and village industries. That is the meaning of the Mahatma's message. In our preoccupation with the search for the woods, let us not ignore the trees.

\* Times of India, 14 September, 1957.

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# GANDHIAN CONCEPT OF MECHANISATION

( By S. K. VERMA )

'Maha-Yantra Pravartanam' or large-scale industrialisation was a social taboo in Ancient India. Large scale production through factory establishments having machines was considered against good conduct and civic sense as it was harmful to the community and, therefore, a sin. The first law-giver of India, Manu, therefore, banned the "installation of heavy machinery". The exploitation of workers for profit, aggression, violence and war, that come in the wake of technological changes or large-scale mechanisation had already been visualised by Indian seers in the days of yore. The ideal of the dignity of labour or 'Panivad' developed as a doctrine in the age of Vyasa and was ingrained in the social order. Means of production were controlled by society in accordance with the needs. Individual village communities which acted on the basis of non-possessiveness or "Aparigraha", were wedded to 'Shreyas' and 'Abhyudaya' of the entire community and were careful enough to check any concentration of power or wealth. Thus it was that the social experiences and experiments of past centuries came to be summed up by Vyasa and Manu in their opposition to 'Maha Yantra Pravartanam' and in the exaltation of 'Panivada' or

dignity of labour and the human element in all social and community effort : 'Nahi manushat Shresthatam hi kinchit', said Vyasa.

## Deliberate Rejection

It was not that machines were unknown to Indians and that we did not know how to invent automatic machines. We had elaborate treatises on mechanics, like the 'Yantra Sarvaswa' of Bharadraja, 'Shakti Sutra' of Agastya, 'Vaishwanar Tantra and Dhooma Prakarana' of Narada. But our forefathers knew that if we set our hearts after machines and means of large scale production, we would become slaves to them and lose our moral fibre which was the mainstay of our society. Renunciation, non-possessiveness, non-aggressiveness, non-exploitation and control over one's desires and wants, were, therefore, made the guiding rules of all social effort and conduct. After due deliberation our forebearers had decided that we should only do what we could easily perform with our hands and feet. The tendency of our civilisation, therefore, had been to elevate human effort and conduct to culminate in a selfless moral being devoted to Godliness. Consequently Manu's abhorrence of heavy machinery was



an age old tradition of our social and economic thought.

### The Great Apostle

Today one hears much of village and cottage industries and their place in Indian life. Much administrative encouragement is visible to a superficial observer. But, as a nation, we are drifting towards mechanisation. The balance of our administrative direction and national dictation is inclined to industrialisation. The importance attached to cottage industries seems to be on the score of their being able to provide 'some' employment to those who may be thrown out of employment by this technological advance. Our leaders seem to have lost sight of the cultural and social values set up by our ancestors after centuries of experimentation.

Gandhiji, however, stands even today, as the Chief exponent and apostle of human values, against mechanisation, as well as a defender of our ancient faith in renunciation, wantlessness, non-aggressiveness and non-exploitation. His writings and statements remain a challenge to the entire band of technocrats. They have to be taken seriously because many new trends and conceptions in the development of agriculture and industries cannot be controlled otherwise. If we chose to ignore either the ideological considerations of our ancestors against, or the challenge of the Father of the Nation to, large-scale mechanisation, we must prepare ourselves to face the consequences also.

### Place Of Machines

Gandhiji's views on mechanisation and technological changes have been much

misunderstood though he has been elaborate and clear in stating them. In October 1924, just after he had broken one of his famous fasts, he gave a very clear idea of his position *vis-a-vis* this problem. In an interview he gave to one of the students of Shantiniketan, Shri Ramchandran, when questioned regarding his views on the place of industries, art and machines, in national regeneration, he said :

"How can I be against all machinery when I know that even this body is a delicate piece of machinery? The spinning wheel itself is a machine; a little tooth pick is a machine. What I object to is the craze for machinery, not machinery as such. The craze is for, what they call, labour-saving machinery. Men go on 'saving labour' till thousands are without work and thrown on the streets to die of starvation. I want to save time and labour, not for a fraction of mankind, but for all. I want the concentration of wealth, not in the hands of a few, but in the hands of all. Today machinery helps a few to ride on the backs of millions. The impetus behind it is not the philanthropy to save labour, but greed. It is against this condition of things that I am fighting with all my might."

**Q:** "Then you are fighting not against machinery as such but against its abuses, which are so much in evidence today?"

**A:** "I would unhesitatingly say yes; but I would add that scientific truths



and discoveries should first cease to be mere instruments of greed. Then labourers will not be over-worked and machinery instead of becoming a hindrance will be a help. I am aiming not at eradication of all machinery, but limitation”.

**Q:** “When logically argued out, that would imply that all complicated power-driven machinery should go.”

**A:** “It might have to go, but I must make one thing clear. The supreme consideration is man. The machine should not tend to keep atrophied the limbs of man. For instance, I would make intelligent exceptions. Take the case of the Singer Sewing Machine.

It is one of the few useful things ever invented, and there is a romance about the device itself. Singer saw his wife labouring over the tedious process of sewing and seaming with her own hands and simply out of his love for her he devised the sewing machine in order to save her from unnecessary labour. He, however, saved not only her labour but also the labour of everyone who could purchase a sewing machine.”

**Q:** “But, in that case, there would have to be a factory for making these Singer Sewing Machines, and it would have to contain power-driven machinery of ordinary type.”

**A:** “Yes, surely. But I am socialist enough to say that such factories should be nationalized or state-controlled. They ought only to

be working under the most attractive and ideal conditions not for profit, but for the benefit of humanity, – love taking the place of greed as the motive. It is an alteration in the conditions of labour that I want. This mad rush for wealth must cease and the labourer must be assured not only of a living wage, but a daily task that is not a mere drudgery. The machine will, under these conditions, be as much a help to the man working it as to the State, or the man who owns it. The present mad rush will cease and the labour will work, as I have said, under attractive and ideal conditions. This is but one of the exceptions I have in mind. The sewing machine had love at its back. The individual is the one supreme consideration. The saving of labour of the individual should be the object and honest humanitarian considerations, and not greed the motive ... . Therefore, replace greed by love and everything will come right”.

**Q:** “If you make an exception of the Singer Sewing machine and your spindle, where would these exceptions end?”

**A:** “Just where they cease to help the individual and encroach upon his individuality. The machine should not be allowed to cripple the limbs of man.”

**Q:** “But I was thinking just now of the practical side. Ideally, would you



not rule out all machinery? When you except the sewing machine, you will have to make exceptions of the bicycle, the motor-car, etc."

**A :** "No; I don't, because they do not satisfy any of the primary wants of man. ... Ideally, however, I would rule out all machinery, even as I would reject this very body, which is not helpful to salvation and seek the absolute liberation of the soul. From that point of view, I would reject all machinery, but machines will remain, because, like the body, they are inevitable. The body itself, as I told you, is the purest piece of mechanism; but if it is a hindrance to the highest flights of the soul, it has to be rejected."\*

Thus Gandhiji was not against all machinery. He wanted to assign to it a place where it would be least harmful. In this respect his views are explicit. He says: "Machinery has its place; it has come to stay. But it must not be allowed to displace the necessary human labour. An improved plough is a good thing. But if by some chance one man could plough up by some mechanical invention, the whole of the land of India and control all the agricultural produce and if the millions had no other occupation, they would starve and being idle, they would become dunces, as many have already become. There is hourly danger of many more being reduced to that unenviable state. I would welcome every improvement in the cottage machine, but I know that it is criminal to displace

the hand labour by the introduction of power-driven spindles unless one is at the same time ready to give millions of farmers some other occupation in their homes".\*\*

His argument in this respect is based purely on economic considerations and economic level of means, i. e., employment and unemployment. The essence of his concession on this point is that so long as some other occupation at home was not available, the spinning wheel should invariably form the main spare time occupation of the villager. That means he strongly insisted upon a labour intensive economy so that full employment may be secured for the masses.

His other arguments were sociological, based on excessive burden of population on land, idle labour, bad distribution of wealth, benefit to the nation and the welfare of the people. He put forth unemployment, bad health, unwholesome food and decay of handicrafts and arts as some of his grounds against machanisation. He placed human labour on a high pedestal in the hierarchy of ideals of Indian independence and considered it to be the very content of it.

Writting in 'Hind Swaraj' Gandhiji makes his position clearer :

"Well, the economics and the civilisation of a country where the pressure of population on land is the greatest, are and must be different from those of a country where the pressure is the least. Sparsely populated America may have need of the machinery. India may not

\* 'Mahatma' by D. G. Tendulkar, Vol. II, Page 212.

\*\* 'Mahatma' by D. G. Tendulkar, Vol. II, Page 283.



need it at all. When there are millions upon million of units of idle labour, it is no use thinking of labour-saving devices ..... The reason of our poverty is the extinction of (cottage) industries, and our consequent unemployment."

He was perpetually alive to this problem of unemployment. On October 22, 1937 inaugurating an Educational Conference at Wardha he said :

"Then, take the question of machinery I wish that machinery is not necessary for us at all. We should use Khadi (home-spun cloth); and, therefore, we do not require mills. We should try to produce all the necessary cloth in villages, and we need not be the slaves of machines, I am afraid, by working with machines we have become machines ourselves, having lost all sense of art and handwork. If you still think that we cannot do without machines, the scheme (of new education) I have placed before you will be futile. You wish to keep our village alive by means of machines and think of imparting education to the village children through them. Machines will only help in making all the thirty-five crores of people unemployed. If you think that machines are really indispensable, you must reject the scheme and suggest a new one".

To a question he again replied :

"I regard the existence of power wheels for the grinding of corn in thousands of villages as the limit of our helplessness. I suppose India does not produce all the engines and grinding machines ..... The planting of such machinery and engines on a large scale in villages (a sug-

gestion made by a correspondent for resolving the food crisis) is also a sign of greed. Is it proper to fill one's pockets in this manner at the expense of the poor? Every such machinery puts thousands of hand chakkis (grind-stones for corn) out of work, and takes away employment from thousands of house-wives and artisans who make these chakkis. Moreover, the process is infective and spreads to every village industry. The decay of the latter spells, too, the decay of art. If it meant the replacement of the old crafts by the new ones, one might not have much to say against it. But this is not what is happening. In the thousands of villages, where power-machinery exists, one misses the sweet music in the early morning of the grinders at work. But to come to the main point: Whilst I hold that these power engines are at present being put to wrong use, it would be some compensation if these engines, in addition to their present use, were also used to pump water out of the rivers, tanks and wells for irrigation".

### **Why Village Industries**

He further clarified his conception of village industries in his address to a conference of State Ministers of Industries held at Poona on July 31, 1946. Referring to the imbalance between town and village economics and the need of pairing their mutual relations he said :

"Ours has been described as the machine age because the machine dominates our economy. What is a machine? One may ask. In a sense, man is the first wonderful machine in creation. It



can neither be duplicated nor copied. I have, however, used the word not in its wider sense, but in the sense of an appliance that tended to displace the human or animal labour instead of supplementing it, or merely increasing its efficiency. That was the first differential characteristic of the machine. The second characteristic was that there was no limit to its growth or evolution. That could not be said of the human labour. There was a limit beyond which its capacity or mechanical efficiency could not go. Out of this circumstance arose the third characteristic of the machine. It seemed to be possessed of a will or genius of its own. Machine was antagonistic to man's labour. Thus, it tended more to displace man, one machine doing the work of a hundred, if not a thousand, who went to swell the army of unemployed and under-employed, not because it was desirable, but because that was its law. In America it had perhaps reached the extreme limit. I have been opposed to it not from today, but even before 1909, when I was in South Africa surrounded by machines. Their onward march had not only not impressed but had repelled me. It then dawned upon me that to suppress and exploit the millions, the machine was the device par excellence; it had no place in man's economy, if, as social units, all men were to be equal. It is my belief that machine has not added to man's stature and it will not serve the world, but disrupt it, unless it is put in its proper place".

Thus, evidently, with all concessions he made to machines, his values were positively opposed to those which build a mechanised or technological civilisation or contribute to the making of it. He was definite in his opposition to machines because of their tendency to promote concentration of wealth in a few hands, inequality, centralisation of power, urbanisation, unemployment and socio-political and economic exploitation.

### Condition For Change

In his opinion these evils, characteristic of present day civilisation, were the results of large scale mechanisation and India was to fight against them with all its new born might. Steeped as he was in the ideals of Indian norms, he analysed the position of Indian Village Economy in the light of those norms and evaluated the nature of modifications in the social realities with a view to inculcate modified norms for new India of his creation. He wanted to create conditions under which technological changes could be effected without causing frustrations or tensions. That is why he advocated the reduction of material wants to the minimum so that production of material goods could be kept within the control of society or the community and be so evenly distributed as not to lead to concentration of wealth in a few hands only. In order to make such proper technological change, he proposed to create conditions of non-possession, self-sufficiency of villages exercised through village panchayats, bread labour or Sharir-Shrama with concomittant dignity symbolised in Khadi. He called the climax of these conditions 'Sarvodaya'.



# WELFARE SOCIETY : NOT WELFARE STATE

(By SHANKARRAO DEO)

Today the slogan of welfare state is echoed from mouth to mouth. But, to me, this slogan seems to be fraught with great dangers. If the well-being of the people is to be entirely the responsibility of the state, then they will surely become cripples. That is why we want a welfare society instead of a welfare state. On the ground of our past experience it is amply evident that in a welfare state the whole machinery is centralized and this machinery being controlled by a bureaucratic set up, the entire work lacks honesty and becomes merely formal. So the villagers have to work for their own welfare. Everybody will feel in his heart the throb of unity only when people in the villages get equal opportunities and equal wages. This decentralized order alone affords the fullest opportunity for the evolution of human values.

## Through Khadi

We, the constructive workers have to act and conduct our movement on the basis of these reflections. If our work becomes one-sided, then our view-point will no more remain constructive, but become commercial. The propagation of Khadi is an essential part of our constructive work. I

request Khadi workers to comprehend the real meaning of Khadi and accordingly start the work of rebuilding society through it. They should not confine themselves merely to the figures of production and sale, instead they should chalk out a programme for the all-sided development of the life of the village folk. The Khadi worker must realise that in the form of *Charkha* he is not taking merely a spinning wheel to the village, but the symbol of the new ideal which aims at establishing a non-violent society. If the *Charkha* succeeds in bringing a change in the spirit, the order and the structure of the village, it is *Charkha* in the real sense, otherwise it is nothing but a wooden contrivance.

Now Khadi cannot succeed in the way in which it is being run in various Khadi stores. It would not stay long if it is allowed to continue in the same manner. Besides, Khadi cannot be made stable by depending on state subsidy. It is persistently maintained that for the promotion of Khadi and the village industries we may avail ourselves of any amount of government help. Yet this work and Khadi and village industries movement are not gaining the expected momentum. In this connection I want to make it plain that



those who think that monetary help would give impetus to the Khadi and village industries' movement, are not correct in their assumption. Certainly by depending on financial aid this movement is going to wane out instead of achieving any success. This movement would grow only on the strength of the villager's own spirit and courage. With us Sarvodaya workers it is never the question – how and to what extent we may secure government help. On the contrary, all our thoughts are directed towards minimising the governmental subsidy. It is a question of policy rather than of subsidy.

### **No Centralization**

The policy adopted by the Government today is that of a welfare state. The important question confronting us is how far this policy can be helpful in including quality of self-reliance in the society and in constructing a decentralized social order. It seems to me that it is not lending much help to the Sarvodaya ideal in the way in which it is being implemented today. So long as the policy of centralization continues to form the basis of all our Five-year plans, the question of furthering the movement of Khadi and village industries will demand consideration. Any amount of subsidy may continue to pour in, but so long as essential change in the basic policy is not effected, no genuine service will be rendered to the cause of the Sarvodaya movement in general and Khadi

and village Industries in particular.

Today the discussion about the third Five-year Plan is going on everywhere. If the government admits the basic view-point of Khadi, then it will have to adopt as the foundation of this Plan the basic policy advocated by Bapu, for the implementation of which he strove all his life through various constructive institutions. Then and then alone the Sarvodaya movement will acquire real strength to convert in reality its dream of a new social order. What is now required is to persuade the government to admit the basic principle of Khadi instead of asking for subsidies.

### **What Bapu Said**

So far as the Khadi institutions and the Sarva Seva Sangh are concerned, we are all adherents of Bapu's view-point. If we follow exactly the significance of that view-point, the question of rebate, subsidy, loan etc., would become absolutely secondary. Our attention will be diverted from the magnitude of the figures of production and sale of Khadi. Then our only goal will be to work rapidly for the creation of the new social order. Today Khadi is not progressing rapidly. The main reason for this is that we have made Khadi, a medium of business without following its real significance. We look at it as a measure of relief or as a means of solving the problem of unemployment. It has now become absolutely necessary to change this point of view. (Courtesy : 'Bhoodan').



# ORIENTATION OF KHADI WORK

Shri Vaikunth L. Mehta has circulated a memorandum amongst Chairmen of State Khadi and Village Industries Boards, Khadi institutions and prominent constructive workers on the new reorientation of Khadi work in the country. The memorandum has been drawn up on the basis of the discussions at Ajmer, Pusa Road and Ahmedabad on the need for an integrated approach towards the subject of rural industries. The memorandum is reproduced below :

"At the meeting of the Khadi and Village Industries Board held at Ajmer in February last, a Co-ordination Committee was appointed consisting of representatives of the Board, of State Boards and of the Khadi Gramodyoga Samiti of the Sarva Seva Sangh with a view to securing unity of aim and effort among the various agencies engaged in the work of promoting the development of Khadi and other village industries. At its first meeting held in May last, this Committee defined the main objective of Khadi work (including in this term other village industries) as of seeking to bring about a change in the rural economy by planning for all-round development, with the spinning wheel as a symbol both of the need for promoting self-reliance and self-sufficiency and of the urge towards fuller employment and a fuller life. In the various recommendations it made, the Co-ordination Committee

indicated the lines along which institutions engaged in the Khadi programme should approach the task before them so that the efforts they put in would ensure the growth of productive effort on a self-generating basis and would be conducive towards the development of the village economy as a whole.

## Village-based Agency

Detailed suggestions have been offered by the Co-ordination Committee at its first meeting about the preliminary measures that have to be taken in order to place the work on a basis that endures, because it becomes part of the plan of the local rural community for its own betterment. The workers will have to assist in awakening local interest in the formulation of plans and in their execution. A village-based agency will certainly be required for this purpose, but each of the units should not stand by and for itself. Its efforts have to be integrated with corresponding efforts by neighbouring villages with similar social and economic conditions. This type of coalescence will impart strength and vitality to the planned development, region by region, of an integrated comprehensive type. The approach is the same as that of the Intensive Area Scheme of the Commission.

## People's Programme

The main motivating force of an Intensive Area Programme is its *Lok Shakti*,



The Programme of an Intensive Area is fundamentally a people's programme. It is not a ready-made programme given by the workers to the local people. The Village and Area plans, formulated by the local people on the basis of assessments of manpower situations, idle resources and consumption levels, are born out of local situations for development of local resources and talent and to meet local felt needs and created needs. Naturally, such a programme cannot be restricted to the list of 12 industries coming within the purview of the Khadi Commission.

While formulating Village and Area plans, the local people assume responsibility of providing full employment. They also define the objectives of full employment which include minimum income, rational time-table of work, self-employment and healthy conditions of work. Another objective of local plans is to establish a decentralised co-operative economy for the rural areas. The two objectives, namely, the objective of full employment in terms of the above conditions and that of establishing a decentralised co-operative economy set the pattern of techniques and tools for the Area Plan. The local people do one thing more. They provide their own local workers. These workers are the natural leaders in the Area. They have initiative and resourcefulness and command the confidence of the local people. The Intensive Area programme is thus the people's programme in all its aspects.

In this programme two things stand out clearly :

(1) the people's responsibility of full

employment, and

(2) the people's freedom for framing their own programmes consistent with the objective of full and self-employment.

### **Training And Administration**

If the whole programme of the Khadi Commission is to be reorientated in terms of Intensive Areas, it may require reorientation both in the administration and training. The Area Organisation may be a union of village co-operatives or a registered body for the time being on the pattern of the Intensive Area organisation. This organisation is the people's organisation guided and supported by the Commission's staff stationed in the Area. The objective being the establishment of an integrated co-operative rural economy, ordinarily separate artisans' societies may not be formed in the Intensive Areas. This should apply even in the case of Andhra where the Commission may think of creating Intensive Areas in place of conducting production directly under its care as is the case at present.

### **Pattern Of Assistance**

The pattern of assistance adopted at present for the Intensive Areas of the Commission may be modified with advantage. Instead of straightway giving two godowns and the full staff of 10 workers to a full Intensive Area, the Commission may provide an Organiser and an Assistant Organiser to an area in the beginning with a little contingency expenditure. This Area can undertake the organisation of Ambar Parishramalayas as also other



industries with the aid of general provisions available under these industries. The organising field staff in addition to the two Organisers, will be the Grama-yojaks the number of whom will depend on actual programme formulated by each village of the Area. The village which wants to prepare its Village plan will select its own panel of Grama-yojaks. Out of this panel the Area organisation will approve one Grama-yojak. This Grama-yojak will be maintained partly by the Commission's grant and partly by the village from out of the additional wealth to be produced under the Village plan. If the village is convinced that a Grama-yojak is essential for such a Village plan it will be interested in maintaining him. The Grama-yojak will thus have to prove his utility and worth to the village community. The proportion of the Commission's contribution to maintain the Grama-yojak may be gradually reduced in the course of five years. In the first year it may bear hundred per cent cost on this account. A village which undertakes the responsibility of formulating successive Village plans and of maintaining the Grama-yojak may be given a grant for building and equipping Parishramalaya which will provide training and keep implements for common use and thus help in executing the village plan.

It will be necessary, further, for the Commission to finance the training as may be required for executing the Village and Area plans. And these plans will be comprehensive, including local industries, a co-ordinated effort on the part of all relevant Government agencies will have to be made to assist financially as well as

technically the agencies in implementing them. If the Intensive Areas are organised in the Community Blocks, such co-ordination may become more feasible. (*Jagriti* : 10-9-59).

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# SOCIALISM THROUGH VILLAGE INDUSTRIES

(By Dr. SURESH CH. BANERJEE)

The most vital question before us to-day is how to remove or lessen unemployment. It has now been practically admitted on all hands that big industries, though essential for the development of a country at this age, is not of much help towards employment of more men. This reminds me of the experience I had a few years back in a big chemical industry near Paris. The manager was showing me the factory, taking me from room to room. I had gone to Paris to attend an International Chemical Conference as a representative of Indian labour. So I was interested more with the working conditions of labour than with the actual running of the factory. I went from room to room, but, as far as I remember I did not come across a single labourer. I, therefore, enquired of the manager: "Where is the labourer?" He said a little smilingly, "Now machines run machines. There is very little need for labour." This clearly indicates what would be the position of labour in big industries in days to come.

## Menace Of Rationalisation

What has been said of the chemical industry in Paris is also to a certain extent true in our own country. Of the industries in West Bengal, that of jute is the biggest.

In this industry, a few years back over three lakhs of labourers used to work. Now the number has come down to nearly to two and a half lakhs. This has been brought about by what is called rationalisation. Rationalisation means getting the same work done by fewer men by employing up-to-date machinery. We are now passing through the age of electricity. The age gone by was that of steam. The future would be that of atom. The more we advance, the lesser is the number of men we employ in running industries. Hence scientific advancement, though meant for the welfare of man, is doing them harm by making more of them unemployed. One may argue that even with the application of most up-to-date machinery, the problem of unemployment can be eliminated by reducing hours of work. People of this line of thinking contend that less hours of work will mean more leisure and more opportunity for cultural development. Higher culture means better civilisation, better state of society, better everything. All these sound well, may also be true, but few people can devote the greater part of the day to cultural work and to an overwhelming majority of people, in work lies the greatest pleasure. One must not also forget that an idle brain is the devil's



workshop.

### **A Twin Problem**

We are, therefore, face to face with a twin problem, – one of rationalisation, the other of employment. For progress in the modern sense, rationalisation is necessary which means unemployment. To keep a large section of people engaged employment in the ordinary sense of the term is also necessary. To solve this twin problem, classification of industries into two categories is essential: (i) Industries which can be built up as cottage industries and (ii) Industries which cannot be developed as cottage industries and will have, therefore, to be developed as big industries. The number of industries which will fall under the second category is limitless and their number will gradually increase. The number of industries falling under the first category is few. These are generally mentioned as Charkha, Dhenki (Paddy-husking machine) and Ghani (Oil Pressing machine). Of these three, Charkha is the most important.

### **Role Of Ambar Charkha**

Charkha has been in use in India in other parts of the world, from its time immemorial. It was plied only by women in their home at leisure time. By this leisure time work, women not only met the demand for cloth in India, but also used to export a fair amount, to countries outside. With the advent of British rule and of modern machine, this agelong cottage industry of India gradually dwindled and by the end of the last century practically disappeared. It was Mahatma Gandhi who revived it by

making it a part of 1921 Civil Disobedience Programme. Since then, in spite of severe opposition and bitter criticism, it is making definite, though slow, headway. The Charkha, as we saw it in 1921, was a tiny machine with a single spindle. Now it is a complicated machine and is called the Ambar Charkha after the name of its inventor, a South Indian cultivator. It has four spindles and therefore, can produce four times more yarn than that of ordinary Charkha. With Ambar Charkha working eight hours a day, a woman can easily earn Rs. 25 a month. There was no need of training for plying the old spinning wheel, but ply Ambar Charkha, a hard training for at least three months is essential. This training is given in schools by teachers. After training, there is a test examination. If she passes the test she is allowed to take the Charkha to her home. Then it becomes a family property. And after a little training by the one who has been trained, almost every member of the family from teenagers upwards – man and women – can ply it. It can thus be made to work not only for the whole day, but also for a fair part of the night. Working in this way, a family can even earn Rs. 50 a month, each member of the family working in his or her leisure time. In Abhoy Ashram Ambar Charkha Centre at Chakdah, a family of two – mother and daughter – both widows, – earned over Rs. 42 in August last.

Ambar Charkha is still in its early experimental stage. With fresh experiments, improvements are taking place, making its plying easier and increasing production and consequent income. But a machine, run



by hand or even by electricity at home cannot compete with a big machine. Hence if we want to really develop Charkha and similar other cottage industries, we will have to say good-bye to big machines, in so far as those industries concerned, which can be devoted as cottage industries. In other words, there must be definite delimitation in the area of operation between cottage and big industries. This may not be possible all on a sudden, but may be brought about in course of, say, five years, if done in a well-planned and determined way. If this be done, there would be a revolutionary change, not only in economic, but also in social and political outlook.

### **God's Blessing**

A few words about my own personal experience may help to explain what I really mean. For the last one year, I have been trying to develop an Ambar Charkha Centre at Chakdah. Already nearly two hundred and fifty women have, after training local Charkha School, taken Charkha to their homes. Each of them has now been earning something. The amount earned per month depends upon the amount of work done and varies from Rs. 10 to Rs. 40. Women plying Charkha generally belong to the lowest income group and any additional income is a God's blessing to them. Hence, there is a feeling of new bliss in them and the zeal for hard work has been on the increase. As a result, laziness and idle talks are rapidly decreasing. A feeling of economic independence is also developing in those earning by Charkha. As a result of frequent visit to the training centre, their habitual shyness and feeling

of uneasiness when out of home, is also disappearing. They are becoming more free and agile. Due to economic salvation, an all-round spirit of freedom is dawning on them.

The demand for Charkha in Charkha is rapidly increasing. It would not be a wonder if the number of Charkha pliers, in course of the next year, increases upto 500. If 500 spinners regularly ply the Charkha and thereby add to the income of the family and also bring about their own economic salvation, then there would be real stride towards economic and social revolution. What has been possible in a year at Chakdah, may easily be possible in many parts of West Bengal, if the Government is serious in the matter. Then, along with the elimination of unemployment problem, the solution of other problems from which the whole of West Bengal is at present suffering, will be a comparatively simple affair.

### **Dawn Of Swadeshism**

I have dealt at length with the Charkha because of the various cottage industries this is the most important and on it hinges the development of other cottage industries. With the growth of Charkha, a new idea of Swadeshi will dawn on men's mind and they will look upon their poor village folk with a new loving eye and along with increase of love for them, will also increase their love for the things made by them. That is, real spirit of Swadeshi will grow and like Gandhiji, it will be difficult for them to use any other articles than those made by their village brothers in their own homes



surrounded by their loving children. This will be real Swaraj and in this way alone true Socialism may be established. In such a state of society, compulsory delimitation in area of operation between the big and small cottage industries may not be necessary.

But such a society will not develop in a day. To bring this about, many devoted

workers imbued with the spirit to Swadeshi and genuine Socialism will have to spend their lives in far-off villages in loving service of the people. The role of the Government is also clear – an active role adopting all necessary measures with a strong hand and determined mind – till men's mind undergoes thorough change and real Swaraj is established.

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# BASIC EDUCATION SCHEME

(By SHAMSUDDIN)

In India the problem of education is really vexing and it will remain so till the problem of money is there. To try to solve this, Mahatma Gandhi took the risk of suggesting that education should be self-supporting. With this in view, he published an article in "Harijan" in 1937 giving the outlines of a scheme of National Education. The important features of the scheme were that education should be imparted through the mother tongue, a handicraft should be the centre of education and that the education should be self-supporting. He framed the scheme with special attention to the needs of rural India. In October 1937 an educational conference was convened at Wardha and a committee was formed under the Chairmanship of Dr. Zakir Hussain. The Committee recommended the adoption of this scheme.

## Fundamental Principles

The fundamental principles, on which Basic Education is based, are :

**1. Free And Compulsory Education:** Psychologically a child, upto the age of 13 or 14, has a tendency to do and undo, to break and mend something or the other. In other words, he is fond of physical activity. The scheme of Basic Education provides satisfaction to this tendency

between the ages of 7 and 14. The child acquires literacy as well as a balanced personality to prepare himself for successful life in the future.

**2. Medium Of Education :** From the time of British rule in India the medium of education in schools has been English. This created a great difficulty for students to understand and express themselves properly. The system of Basic Education removes this difficulty by providing the mother-tongue as the medium of education.

**3. Craft :** All intellectual training should, as far as possible, centre round the handicraft chosen after giving the consideration to the environment of the child. The aim is to bring out the moral, rational and physical capacities of the child through the craft taught. The crafts suggested are spinning, weaving woodcraft and agriculture, etc. With the help of these, the teacher is to teach Mathematics, History and Geography.

**4. Self-Supporting :** The system of education proposes to make it self-supporting to the extent of covering teacher's salary and other contingencies by selling the articles produced by the pupils.

**5. Real Life Situation :** With the principle of correlation of knowledge, the system of Basic Education brings about



close relationship of education with the activities of life. It correlates knowledge of different subjects in a natural way and does not keep various subjects separate from each other, leading to book learning only. To achieve full correlation of all sorts of knowledge the scheme provided three centres of correlation, namely, craft work, physical environment and social environment of the child. With the help of three centres, knowledge of these different subjects and activities of life can be correlated to make the education of the child perfect.

The education helps in drawing out the best in the child. It not only makes a child intellectual, good and an efficient citizen; but also a humble man of the world leading a pure and serene life. The child develops character and becomes socialized.

### Methods Of Basic Education

The methods of Basic Education are very similar to the modern methods of education. The principles underlying this method of education are :

#### 1. Stress On Practical Knowledge :

Basic Education does not advocate only theoretical knowledge, but lays stress on its practical side also. The child's instinct to do and undo, to break and mend something, finds ample opportunity in this method of education. Also the child's activity is not aimless; rather it is purposeful, as it leads to the production of something.

**2. Freedom Of Expression :** Freedom of expression is the important feature of modern system of education. The child is

given full freedom of self-expression in the Basic system of education. He gets chances to satisfy his inner instinct of activity and construction. Education by book learning is mere theoretical learning and knowledge in it is forcibly thrust into the minds of the child. Basic Education gives the child an opportunity to act and do thing according to his nature and capacities.

**3. Provision Of Three H's :** Present system of education leads to the knowledge of three R's – Reading, writing and Arithmetic only, which is not real and complete education. This defect is removed in Basic Education which tries to train and develop the three H's – Hand, Heart and Head together. By giving physical, mental and moral education Basic system of education educates the whole personality of the child.

**4. Dignity Of Labour :** As activity and production is the means of gaining knowledge in Basic Education, the sense of dignity of labour is increased among pupils. Difference between intellectual workers is eliminated and the result is that there is greater social unity leading the society towards real democracy.

**5. Industrial Capacity :** If the craft work is carried on intelligently and properly under expert guidance, it will tend to increase the industrial capacity of workers and will help to increase their production.

**6. Psychological Need Of The Child :** Psychologically, a child's brain can be active only through work and play. His



capacity for understanding abstract ideas generalisations is strictly limited. Basic Education provides activity in the form of craft work. Education thus gained becomes a part and parcel of his life.

**7. Sense Perception :** Between the ages of 7 and 14, a child has a remarkable capacity to grasp concrete things. His ability to understand abstract ideas is limited. Education by book reading is the greatest defect in our present system of education in which objects and not words, sense-perception and not memory is the basis of education.

**8. Correlation :** Basic system of education correlates the knowledge of different subjects with the help of crafts as their centres. Its curriculum is not subject-ridden in which knowledge is divided into various separate subjects. The knowledge gained by correlation becomes a part of life.

### Curriculum

As regards curriculum of Basic Education, the syllabus to be finished in 7 years includes the following subjects : Basic craft, mother tongue, mathematics, social studies including history, geography and civics, general science including nature study, botany, zoology, physiology, hygiene, chemistry, physical culture, etc. art work, music and Hindi. Special feature of the curriculum are : (1) English is completely excluded, (2) Hindi is accepted as National language, (3) Co-education is allowed and domestic science is taught to girls in general science, and (4) Reli-

gious education is avoided.

### The Other Side

Critics, however, have pointed out some drawbacks and difficulties in the Basic system of education. They say that Basic Education lays more stress on craft rather than on the child who is the most important factor. It is more or less craft-centred and neglects the child's interests and capacities. Similarly, all the knowledge cannot be correlated with centres of craft and many a time correlation appears to be more artificial than natural. Also, too much emphasis on production at an early age not only leads to the neglect of the child, but is harmful in his development. The child, his nature and needs should be given more importance.

Further they say that our life today is already too materialized and this Basic system places more emphasis on the material side. It neglects the spiritual side of the child's development. Lack of religious education in the scheme makes it incomplete and one-sided only.

They are also of opinion that the scheme can never be completely self-supporting. It will have to depend on State help. No doubt crafts can be most useful as means of imparting education to the children, but to think that they will produce so much as to cover the salary of the teacher and other contingencies is rather next to impossible. If this aspect of self-supporting is maintained in the scheme, it will lead to forced labour on the part of



the children and schools will turn into factories. Thus this aspect is severely criticised by the critics who say that it is more idealistic than practical.

In Basic Education the child has to select a particular craft for specialisation at a very early age when neither his proper development has taken place, nor his special abilities are determined. It is too premature to expect specialisation from a child in a particular vocation.

They further say that only a few crafts are chosen by the people round which the whole education centred. There is no broad basis of selection for children to exercise their individual interests and abilities. Thus the important factor of equality of opportunity is also neglected in this scheme of education.

They also say that unless and until sufficient number of trained teachers and well prepared text-books are available, it is not possible to achieve success in the scheme. The salary offered is not so handsome as to attract able and skilled persons in the field of education.

In the end they assert that the scheme is drawn up with special attention to the needs and environments of the villages. There is no way out for city dwellers. Hence it does not seem to be complete.

### **Objections Answered**

To answer the above objections, the Central Advisory Board of Education appointed a Committee in the year 1938 under the Chairmanship of the late Shri B. G. Kher to scrutinise the new scheme

of Basic Education. At its first meeting only Dr. Zakir Hussain answered the criticisms put forth against the scheme. He said: "The scheme can be self-sufficient. The experiment is actually worked out in Wardha and it is seen that, besides educating the child, the scheme can yield sufficient monetary return involved in working out the scheme. For removing the difficulty of teachers, we can open numerous training centres (which have already been opened by the Government) for training of teachers."

As for the criticism that the scheme is made for villages, he said that India lives in villages. Our primary concern is the rural areas. Through them we can gradually approach the urban area. Towns can wait till we improve.

As for religious education, Dr. Zakir Hussain said that India has no one State religion. Hence there is great practical difficulty of introducing religious education. Moreover, the Wardha Scheme of Education has equal regard for all religions.

As for co-education, Dr. Zakir Hussain said it is not the compulsory feature of the scheme. As for the theoretical nature of the scheme, Dr. Zakir Hussain said that a scheme of education which has craft as its centre can never be theoretical. So let us educate the child through manual work not as a side activity, but as the prime means of intellectual training.

In our education, craft is to be adopted not only as a means of education, but also as an end in itself. The child should choose such craft as he may be able to adopt in future. Thus by Basic Education the child



learns to produce something, making the education self-supporting. To support the school would be the test of the value of that education.

From the above discussion it is obvious that in spite of the limitations mentioned above, the fact that Basic Education contains the germs of national system of

education, cannot be overlooked. It is admitted experience beyond doubt that the scheme, after revision in the light of the experiences gained, will surely bear effective and beneficial fruits. The whole system of Basic Education is based on psychology and tends to develop an all-round personality of the child.

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# AN EXPERIMENT IN NURSERYING

( By S. K. KALLAPUR )

The rearing of bees for supplying colonies to persons thinking of taking to beekeeping is a paying subsidiary industry in the semi-tropical areas of some of the advanced countries. This industry is known by various names such as Nurserying, package bee business, bee breeding etc. The profits of this business are in many cases larger than of keeping bees for the sake of honey. A large number of beekeepers have specialised in this work. They are earning a decent livelihood. In a few cold countries beekeepers find it more economical to kill the bees at the end of the harvest and then to purchase fresh colonies at the beginning of the year than to incur expenditure over the wintering of colonies.

This subsidiary industry is not altogether unknown in our country. Some beekeepers do produce a few colonies for sale by dividing in the swarming season. Some transfer natural colonies from their original homes and rear them in modern hives for the purpose of selling. But the supply is irregular. The strength of the colonies is not up to the standard. The prices vary widely. Arrangements do not exist for the transporting of the colonies. I was attending to supply of colonies when I was work-

ing in the North Kanara District.

## Demand For Colonies

In India, too, there does exist a market for package bees. After the Khadi and Village Industries Commission was formed, demands began to come from all sorts of persons for colonies of bees. A few institutions have approached the Commission for grants for setting up nurseries. But invariably the demands are pitched very high.

One of such schemes was found on examination to be a costly one. So, I thought, I should practically demonstrate that nurserying is not after all such a big thing as is made out by our experts and that colonies can be produced and supplied at much lower cost.

When a scheme has got to be worked at an extremely economical cost, I am in the habit of entrusting it to the Y.M.C.A. of Martandam. They were having two model apiaries with them. An additional one was sanctioned in their favour. I suggested to them that one of them might be converted into a nursery. They had supplied to some parties a few colonies in the past. I knew that they had some experience in the line.

## Nursery At Parassalai

The model apiary at Parassalai was



selected for the purpose. It was having an equipment worth Rs. 1,800. Recurring expenditure of Rs. 2,460 was made available :

Salary of the nurseryman @ Rs. 100 per month ( Consolidated )	Rs. 1,200
Two Assistants @Rs.55 ( Consolidated )	Rs. 660
T. A. @ Rs. 25 p. m.	Rs. 300
Rent for the office at Rs. 25 p. m.	Rs. 300
	<hr/> Total Rs. 2,460

The regular work commenced in December of 1957. The villagers were informed that they could sell their surplus colonies to the society. The villagers produced colonies by

- i) dividing their own colonies in the swarming season, i.e., in January and February,
- ii) enticing straying swarms into earthen pots specially tied to tree tops, and
- iii) transferring colonies from their natural homes in the crevices of trees.

They were asked to retain the colonies in pots or modern hives for a period of 2 months or so. The bees when brought to the apiaries were transferred into the modern hives with the apiary-keeper. They were kept in the apiary for a further period of 15 days to a month awaiting delivery to the customers.

A few additional colonies were got by dividing the strong colonies in the apiary

itself. The apiary-keeper, too, got a few colonies by tying pots for decoying the straying swarms.

In the first year of 1957-58 itself about 100 colonies were thus produced and sold. The villagers were paid a sum of Rs.2 for each colony produced by them in the manner mentioned above. They were sold to customers at Rs. 3 to Rs. 5.

The apiary incurred expenses on feeding the colonies, for supplying of wax sheets etc. A few colonies deserted after their transfer to the apiary. This was natural.

### Colonies Supplied

The colonies which were sold had 6 to 7 frames full of bees in the brood chamber. The beekeepers could harvest honey within a month or so of the purchase. These beekeepers belonged to distant places. A few villagers residing in the village itself and in the villages nearby, too, placed an order with the authorities. The beeyard of the Parassalai nursery is extremely small. Even 75 colonies cannot be quartered in it. The colonies meant for such people were kept in the house compounds of the suppliers themselves. The apiary-keeper brought together the customer and the suppliers, and left them to negotiate the terms. The accounts of the nursery do not show these latter transactions.

Thus about 175 colonies were produced and supplied in the beekeeping year of 1957-58. The purchases were made through the C. P. A.

Some honey was produced in addition.

The business began to expand. Orders



for more and more colonies began to come: the C. P. A. were the indentors. So, in the next year of 1958-59 another model apiary, the one at Martandam was converted into a nursery with the existing equipment worth Rs. 1,800.

The same procedure about the procurement of the colonies was followed as a result of which 276 colonies could be supplied by the two nurseries. More than 200 colonies were sold profitably by the villagers themselves as shown below :

Name of Nursery	Colonies supplied officially		Colonies supplied unofficially	
	1957-58	1958-59	1957-58	1958-59
Parassalai	100	150	about 75	about 200
Martandam	—	126	—	—

### Cost Of Colony

The cost of production at the Parassalai nursery has been Rs. 2,460 for 150 colonies or Rs. 18 for each colony, taking into consideration the depreciation of the equipment. The cost in the case of the Martandam nursery was Rs. 20 or so. If the colonies negotiated by the beekeepers directly are to be taken into account, the cost would be about Rs. 10 or even less in the case of the Parassalai nursery. It would have been so if the beeyard had been twice as big.

The cost can be further economised in this way :

There should be about 6 out-apiaries

or additional beeyards in suitable places within a distance of about 2 miles from each other. The colonies, as soon as ready at Parassalai and Martandam, should be transferred to the out-apiaries in batches of 75 or 100. Then one apiary-keeper or nurseryman would suffice, but there would have to be as many assistants as there would be yards. The delivery of the colonies should be given at the out-apiaries to the buyers.

It will be seen from this that both the men incharge of the apiaries or nurseries and the villagers have begun to understand the work of package bee production.

The authorities of the Y.M.C.A. gained more experience in the line. A new industry subsidiary to beekeeping, viz., the production of package bees has, without any noise whatever, and without even the authorities of the Khadi and Village Industries Commission knowing it sprung up in that area at no additional cost to it. This has been achieved in two beekeeping seasons. The business has been placed on an organised footing.

### An Ideal Area

One more model apiary is being converted into a nursery. The southern part of the Kanyakumari district is not so suitable for beekeeping from the point of view of the honey crop. But its climate which permits the breeding of bees during practically the whole of the year and its vegetation, particularly the coconut palms which blossom throughout the year giving a super abundance of pollen, rich in proteins and vitamins, make it an ideal



area for the package bee business.

But in the wake of all of this a few problems have arisen and demand our immediate attention. These are :

1) The manufacture of the devising of cheap transporting out-fit,

2) The manufacture of cheap and light hives,

3) The transporting of the colonies to distant places at as cheap a cost as possible, and

4) Further division of the colonies, i. e., the taking of 4 colonies or so from one parent colony, in other words bee-breeding.

This will necessitate additional equipment of the value of Rs. 3,000 or so.

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# WHY SERVICE CO-OPERATIVES

(By C. V. H.)

The great debate in the country today is about co-operative farming. The debate was touched off by the resolution passed at the 64th session of the Indian National Congress on Agrarian Organisational Pattern. The resolution stated that "the future agrarian pattern should be that of co-operative joint farming, in which the land will be pooled for joint cultivation". It was further stated that "as a first step, prior to the institution of joint farming, service co-operatives should be organised throughout the country. This stage should be completed within a period of three years. Even within this period, however, wherever possible and when generally agreed to by the farmers, joint cultivation may be started."

The resolution represents the most revolutionary agrarian reform formulated by the Congress since the abolition of the Zamindari. The aim is to mobilise public enthusiasm and stimulate initiative and a spirit of self-help in the millions of farmers in the country. This decision of the Congress has, however, given rise to a bitter controversy over the very principle of Co-operation - Co-operative farming particularly. While the issue is thus being debated, a clear and objective study of the same is vitiated by the verbal

rheterics of politicians.

The term "Cooperative Farming" in ordinary parlance means only cooperation in agricultural production. The Indian peasantry is not unaware of cooperative efforts in agricultural production. Certain agricultural operations such as ploughing, sowing, harvesting, thrashing etc., used to be, and even now are, occasionally carried out by mutual aid. In fact many of the agricultural operations call for joint efforts. Instances of joint farming by two or more persons with inadequate holdings of land or limited resources for ensuring economy and efficiency are not rare. It must, however, be admitted that co-operative farming in its modern form has not been systematically taken up by our peasantry. Whatever co-operation exists in agricultural operations is only segmental in its nature and function. Co-operative farming, in its present form, calls for a high degree of co-operation involving joint efforts by larger groups in almost all the processes of agricultural operation.

The main objects of the scheme are to increase the yield of the land and secure better returns to the cultivators by consolidation of holdings and by adoption of methods of improved farming and marketing



of agricultural produce. It is also envisaged to introduce cottage and small scale industries to supplement the income of the members.

The picture that the Indian agricultural condition presents today is a picture of uniform inefficiency, low productivity and small uneconomic units of production. There cannot be any lasting improvement in agricultural production and efficiency without comprehensive reform in the country's land system. Several steps have been taken in this direction. These measures, while attempting to do away with landlordism in all its forms, brought to light the question of the most profitable pattern of land utilisation – the question as to whether to continue the old system of individual farming or organise it on co-operative basis. Furthermore, a number of Committees have advocated Co-operative Farming.

The Royal Commission on Indian Agriculture in 1928 observed that if cooperation failed, there fails the hope of Indian agriculture. After two decades of the Royal Commission's Report, the Indian National Congress appointed the Congress Agrarian Reforms Committee with Dr. J. C. Kumarappa as Chairman. The Committee in its report strongly advocated co-operative farming and recommended that the holdings below the basic size should, in course of time, be brought under a scheme of cooperative joint farming. The Co-operative Planning Committee, known as Saraiya Committee, also made similar recommendations and outlined the various steps for agricultural co-operatives. In the

first Five Year Plan it was advocated that the small and medium farmers should be grouped into co-operative farming societies. The Report of the Indian Delegation to China on Agrarian Co-operation must also have influenced the Congress thinking. "The experience of China gives us the hope," says the report, "that a peaceful transformation from family farming is not beyond us". Further it said that the agrarian co-operatives indicate the way for mobilising the national resources in which manpower plays the dominant part. Chinese Co-operatives, the report said, "offer a new hope for millions of landless families" and, therefore, "they are today an historical necessity".

However one may view the problem, there are no two opinions on the imperative need for agricultural re-organisation. The majority of the Indian farmers are poor. Their income lags far behind the expenditure they have to incur on their land. The per acre yield is low and left to himself the farmer is in no position to improve the land. Above all he is perpetually in debt. All these lead to only one conclusion : that the farmer should be assisted, financially and otherwise and guided to take to improved methods of cultivation. Such help could be given effectively if they are grouped and the aid channelised through the co-operative. Without it, the solution of India's agricultural, and, therefore, of the food problem is almost impossible. But the approach to Co-operative farming should be phased and balanced. It should not be imposed on the peasant from above. The attachment of the Indian peasant to his



land is as dear as to his life. That should be taken note of. The idea of co-operative farming should be taken to him through education, demonstration and example. The introduction of Service Co-operatives will act in the nature of first practical lessons in common efforts leading to individual and common benefits.

This type of society envisages pooling of efforts and resources for better cultivation and production. Members work jointly on their lands without surrendering or losing their individual titles. The ownership right of each member over his holding is recognised. All farm expenses are incurred by the Society and all farm proceeds are received by it on account of its members and credited against each according to the share of his land. The Society helps plan the crop programme, raises funds for the development of the lands, purchases farm equipments, appliances and seeds and carried out all other activities calculated to promote land developments.

The Service Co-operative will advance loans on the farmer's production plan taking into account the land he tills, the labour and attention he devotes and the yield he is likely to get. Besides, short term credit, the service co-operative also sanctions

medium term loans which the farmer may need for a slightly longer period for the purchase of bullocks or improving the land, sinking of wells or installing a pump. In addition, these co-operatives will arrange to supply many of his production requirements such as seeds, fertilizers, manures, ploughs, insecticides, pesticides etc., for plant protection, cattle feed and fodder.

Apart from commodities needed for cultivation, the Service Co-operatives, will sell consumer goods such as kerosene, sugar, salt, match etc., etc., to all its members at fair prices. It will help sell all the surplus produce through the nearest marketing society and thus enable the farmer to get the maximum for his produce. The Service Co-operatives will also organise the production of organic manures by proper utilisation of local manurial resources. They will undertake measures to regulate irrigation water supply, soil and water conservation, etc. In short, all the activities which the farmer cannot individually undertake would be organised by the Service Co-operatives. The steps proposed for their widespread introduction deserve to be universally supported in the interest of agriculture and the nation's food supplies.



# PROBLEMS OF HANDLOOM INDUSTRY

BY SHRI R. VENKATARAMAN,  
MINISTER FOR INDUSTRIES - GOVERNMENT OF MADRAS

Out of a total of about 27 lakhs of handlooms registered in the whole of India, there are nearly 12 lakhs of looms in the States of Andhra, Kerala, Mysore, Orissa and Madras representing 44 per cent of the total. If the 5 lakhs of looms in Assam and Manipur areas which are mostly domestic and not commercial are excluded, the handloom in these five southern States account for more than 50 per cent of the total in the country. These five States also account for over 52 per cent of the total number of looms in the co-operative fold in the country and as far as production of cloth within the co-operative fold is concerned, they similarly account for over 50 per cent of the production in that sector. These figures show the very important part these States play in the development of the Handloom Industry.

## Export Possibilities

The Handloom Industry is, next to Agriculture, the most important industry in our country, as far as the number of persons employed in it are concerned. The 27 lakhs of looms provide direct or indirect employment to over 8 million people and these 27 lakhs of handlooms and other

allied industries depend nearly 1.5 crores of people for their livelihood. Further this industry does not require much capital investment. With a loom costing less than Rs. 100 and with a working capital of Rs. 200 it is possible for a person to earn his livelihood. No doubt, the methods of production cannot compare with those obtaining in the organised mill sector. But, in view of its being widespread throughout the country and in view of the negligible capital required, this industry must continue to be nourished on account of the very vast employment potential it has. Therefore, in any scheme of planning, the well-being of the Handloom Industry must be considered and given priority. This industry, in addition to producing over 25 per cent of the total clothing requirements of our country, has also a very bright future as far as the export trade is concerned. By its very nature, the handlooms can produce an enormous variety of cloth of different designs which the mill industry cannot. This aspect must be exploited to the full in developing our export trade. The complaint has become common that handloom weavers



are not coming forward to produce in adequate quantities and upto required quality the fabrics required for our export markets. Further, it is stated that the export market, especially in Western Europe and U. S. A., requires the length of every piece to be not less than 40 to 60 yards. It is necessary that suitable technical modifications are made to the looms so that cloth of sufficient length and required quality is produced. In this connection the suggestion that separate Industrial Weavers' Co-operative Societies are formed to produce export varieties of handloom cloth is welcome. The other suggestion that weaving sheds may be set up as adjuncts to well-established Weavers' Cooperative Societies should also be welcome. The establishment of such Industrial Weavers' Cooperative Societies and weaving sheds, specially set apart of manufacture of export varieties, will ensure production of handloom cloth of required specifications and under proper technical supervision and guidance.

## Aid To Weavers

The fortunes of the industry right from the time of industrial revolution till to-day are too well known to be recapitulated here. The creation of cess fund and the consequent assistance that has been given to the handloom industry mark a turning point in the fortunes of this industry. However, as you all know, the assistance from cess fund is being restricted to weavers within the co-operative fold who, as far as Madras State is concerned, account for less than 50 percent of the total number. It will

not be possible to enlist all the looms into the co-operative fold unless assistance from the cess fund is proportionately increased. But this increase can be made only if the cess on mill cloth is increased correspondingly. As a large section of weavers are thus denied any form of assistance, it is necessary that we should consider the need for helping these weavers in some way or other. Our State Government has always been of the view that weavers outside the co-operative fold must be given at least some assistance if not all that the weavers within the co-operative fold get. The master weavers to whom the weavers outside the co-operative fold look up for assistance are not all exploiters. The master weaver in many cases is an efficient craftsman whose economic independence is a direct result of his skill. As far as Madras State is concerned, the master weaver has an important part to play in the development of handloom industry, especially in areas where exportable varieties like lungies and Madras handkerchiefs are produced. The denial of any assistance to him from cess fund has been a cause for just complaint.

## The Rebate

The Handloom Industry has always been an unequal competitor with the mill industry in producing the ordinary varieties of cloth. The methods of production of cloth by handloom cannot measure up to the standards of the mill industry and the handloom cloth is necessarily costlier than the mill cloth even though the wages paid to the handloom weavers are very low. It is only to minimise this difference in cost that the



scheme of rebate has been evolved. That being so, that need for continuing the rebate is obvious. Different opinions have been expressed on the need for continuing the scheme and several modifications have been proposed.

It is the experience of all States that the provision within the ceiling share for rebate is wholly inadequate. As far as Madras State is concerned, on 1-4-59 we were in arrears of rebate to the extent of Rs. 115 lakhs to the various primary Weavers' Co-operative Societies, Co-operative Consumers' Stores and the Apex Society. With the amount allotted to us for rebate upto 31-3-59, it was possible to settle the rebate claims only upto June, 1958. Delay in sanctioning rebate claims for considerable periods has affected production of handloom cloth in all the primary societies and representations have been on the increase asking for early settlement of rebate claims. I am sure this is the experience of other States also. In this connection a suggestion has been made to the Government of India that the entire claim for rebate must be kept out of the ceiling share of States and must be administered as a centrally sponsored scheme.

### **A Suggestion**

I am making another suggestion in regard to rebate. Instead of the present practice of allowing rebate on every sale of handloom cloth, either wholesale or retail by the co-operatives, the primary societies will be allowed to market their cloth without any rebate at prices to be fixed by them to any agency they choose. So long as the primaries are able

to dispose of their stocks without much difficulty, no assistance is called for. But in the event of the primaries having accumulated stocks exceeding 3 months' production, the idea is that the State Handloom Weavers' Co-operative Society will step in and purchase the entire stock of unsold cloth at certain floor prices to be fixed for each variety with reference to the cost of production, subject to such quality controls as may be prescribed. The State Society will sell such cloth through their sales depots throughout the State with rebate at rates to be fixed by the Government and this shall be the only rebate that will be allowed on any sale of handloom cloth. The Government of India will be requested to make available the funds required for sanction of such rebate under the scheme of Marketing Aids. As it is difficult to estimate the actual requirements under this head each year and as it is necessary that the amounts sanctioned under rebate each year and unspent during the year is not allowed to lapse, it is necessary to constitute a Fund to which will be credited all amounts allotted under rebate. Rebate at a higher or a lower rate can be made available to the Apex Society in any year depending on the amount available in the Fund and the need for such assistance. Of course, the proposal will have to be considered in greater detail so that the actual financial implications can be worked out. I think such a scheme would be more desirable than the present one, as this scheme will come into operation only when there is accumulation of handloom cloth with the primaries and in



respect of cloth which comes up to certain specifications.

### Powerlooms

In addition to rebate other very important subjects like reservation of fields of production, policy regarding powerlooms, provision of adequate finance to primary and apex institutions and supply of adequate raw materials at reasonable cost have also to be considered.

As regards the question of powerlooms, there is a certain amount of divergence of opinion among the States in view of the differing nature of this problem in each of the States. Madras and Andhra Pradesh who have considerable concentration of handlooms do not naturally welcome the introduction of powerlooms within their States or outside as the production of powerloom cloth within their States or outside will ultimately affect the sale of handloom cloth in the country. Apart from the question of restricting the expansion of powerlooms, the production of powerloom cloth can also be restricted to certain specified varieties. In the matter of powerlooms it is necessary that we should evolve a policy which will be accepted by all the States and which will ultimately safeguard the interests of handloom weavers.

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# GOLDEN SILK FROM ASSAM

By R. SHARMA, DIRECTOR, SERICULTURE AND WEAVING  
GOVERNMENT OF ASSAM

Assam, the land of blue hills and meandering rivers, has a colourful pattern of life born out of a synthesis of the customs and habits of the people inhabiting the hills and plains. The topography of the land helps to a large extent the growth and development of the wild silkworm. Assam's hills are contiguous to the Himalayan range and various species of moths and butterflies, some not yet indentified, can be found in the forests of Assam. Some of the isolated species of *Attacus* and *Anthereae* would, it appears, help to produce an additional quantity of silk, bringing added income to the sericulturists. There is vast scope for development of non-mulberry silk in Assam, as this part of the country holds a unique position in this respect. Dr. Tazima, the eminent silkworm Geneticist of Japan, during his last visit to Assam, wrote "no wonder Titabar (in Assam) is the best place for wild silkworm research in the world". The culture of Muga is even today unknown to sericulturists in the world, except in Assam.

## Predominating Muga

The Muga silk of Assam is as old as its people. No where else is there so much use of Muga silk, both at home and outside, as in the case of the womenfolk of both

the hill and plain areas of Assam. There was a time when Assamese people, irrespective of sex, wore Muga silk apparel with pride. During the reign of the *Ahom* kings, court and ceremonial dress was necessarily made of Assam silk, Muga predominating. Even today, with rural markets invaded by mill-made cloth, one still comes across old and respectable men proudly wearing *dhotis chapkans* and turbans made of Muga silk.

What impresses a casual visitor to Assam is the dress of the Assamese women folk which consists of golden yellow Muga silk "mekhelas", embroidered or interwoven with eye-arresting designs and coloured effects peculiar to Assam, and Muga silk "rihas".

The womenfolk of Assam cannot think of a better material for their dress than the lovely golden coloured Muga. They love its delicate texture and lustre. Apart from its use as apparel, Muga silk is used widely for embroidery purposes and also for making fishing lines on account of its high tensile strength.

The total annual production of Muga raw silk in Assam is estimated to be nearly 1,90,000 lbs. The bulk of this production of Muga raw silk is made in a village named



Sualkuchi, situated on the northern bank of the Brahmaputra. Different processes, from reeling to weaving, are done in almost every household and grand-children and grand-mothers may be seen working side by side some process or other connected with the Muga silk industry.

### Rearing

Muga silk is produced by a caterpillar known as *Anthereae assama*. It belongs to the same genus as the Indian Tassar, Chinese Tassar or Japanese Tassar. It is a multivoltine and semi-domesticated silkworm, producing five broods per annum. Its caterpillar stage is passed on the trees, on the leaves of which it feeds. 'Som' (*Machilus odoratissima*) and 'Sualu' (*Tetranthera monopetala*) are the chief plants for Muga silkworms. The former grows abundantly in the upper region and the latter in the lower region of Assam.

The rearing of Muga is done on trees outside dwelling houses. The young worms, when hatched, are mounted on the trees with 'Kharika' (a bunch of straw) on which eggs are laid. The hatched worms then crawl up to the leaves and feed on them in their natural state. The worms moult four times before they mature and select their own food according to their stages of growth. During the period of rearing, if the leaves of a tree are exhausted, the worms crawl down the trunk till they are stopped by a coil of straw rope or a band of plantain leaf, which serves as a barrier. They are then gathered and transferred to another tree. There is no difficulty in discerning when the worms are ready to spin cocoons as they then

invariably crawl down the tree at nightfall, when they are picked up and put into a bundle of branches of dry leaves to spin their cocoons.

During their life in the open, the worms are exposed to the danger of attack by various enemies among whom the crow, kite, bat, downy owl, and wandering pie are the most persistent and destructive. Rearers wage a war against ants with fire; the pellet bow is used against birds by day; clappers of split-bamboo serve to frighten away night marauders. The job of constant watching is very troublesome, especially during the months of inclement weather, and is usually left to children and old people. Continuous heavy rain is apt to wash worms in the early stages, off trees.

### Seed Cocoons

In certain places in the hill tracts, there is an abundance of Muga silkworms growing in a wild state, and it is quite possible that free mating occurs between wild varieties and rare breeds. Therefore, seed cocoons produced in these particular tracts are mostly natural cross-breeds and having the vigour of hybrids they thrive well in the first one or two generations in the plains. But degeneration occurs thereafter. Muga growers in the plains prefer seed cocoons from the hill tracts to local seed cocoons for raising a crop.

With a view to increasing the production of seed cocoons, three basic Muga Seed Farms have been established by the Department in addition to the existing facilities of Muga rearing available in 6 Sericultural Farms. Efforts have also been made



to produce healthy seed cocoon for supply to the Muga growers from the seed cocoon growing area in the lower Assam and through selected seed cocoon growers. The supply of seed cocoon has gone up from 10 per cent to 25 per cent during three years of the Second Five Year Plan.

### Reeling

The bulk of cocoons used for reeling is obtained from the autumn crop, which is by far the most important. The silk is produced by boiling the cocoons with an alkali, and the simultaneous process of reeling and twisting is done on an indigenous reeling contrivance known as the 'Bhir'.

### Research

Under the Second Five Year Plan, the Government of Assam has started a Research Station at Titabar for conducting researches on various problems connected with the development of non-mulberry silk. The results of some of the experiments so far obtained at this Station are very encouraging.

### Mezankori Silk

*Mezankori* silk was much loved by our people in olden days owing to its durability, lustre and creamish white colour. The use of *Mezankori* silk was restricted only to the rich because of its high price. *Mezankori* silk is produced by muga worms fed on the leaves of the *Mezankori* plant (*Machilus sp.*). *Mezankori* plants grow wild on the hills of Assam. They are also cultivated in some places in the plains but are not as luxuriant as those on the hills. Muga worms, when fed on young *Mezankori* plants, produce whitish-yellow

cocoons, but the colour of the cocoons is golden yellow when worms are reared on fully matured and old plants. Only a small quantity of *Mezankori* raw silk is produced in Assam at present. Steps are being taken by the State Government to introduce the culture of *Mezankori* silk in the hill areas.

Saffron-coloured Muga or *Mezankori* fabrics when embroidered with silver or gold lace is known as *Kingkhap*! They were mostly used by the Ahom Kings and Queens and members of the aristocratic class of those days.

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# VILLAGE LEATHER FOOTWEAR INDUSTRY

(By G. R. VALUNJKAR)

Leather Goods Manufacture is not a single industry but a set of industries producing different types of articles. The idea of these several industries can be had from the following list :

- 1) Different types of footwear.
- 2) Agricultural leather goods such as water bag, leather bucket, water lifts ropes and others.
- 3) Saddlery and other horse equipments.
- 4) Suit cases, money purses, waist-belts and other requirements of the modern society.
- 5) Military and Police equipment.
- 6) Industrial requirements such as leather belting, pickers, buffers and other requirements.
- 7) Sports goods such as Tennis rackets, football, volley ball and others.
- 8) Parchment leather articles such as various types of drums, musical instruments, oil containers and others.

Of all these, footwear is quantitatively the biggest industry in India as well as in any other country.

## Footwear Manufacture

The footwear industry in India

consists of

- (i) an organised sector represented by large scale factories,
- (ii) small scale factory units, and
- (iii) cottage units.

The broad line of demarcation is that the large units fall within the scope of the Industries Development and Regulation Act, 1951, whereas the small scale unit does not come under it as its capital investment and consequently production is restricted. The cottage sector is run on household basis wherein the proprietor himself is the worker with some few assistants. This sector is spread throughout the country in towns and villages.

Some of the important leather footwear centres are at Agra, Kanpur, Calcutta and Bombay. Agra is the largest centre with some 100 small factories producing about 3 million pairs of footwear per annum.

Statistical information pertaining to the capacity, production, labour employed, capital invested etc. of the large scale units is available in different Government publications. But reliable statistical data on production by the small scale and cottage units are not available. The reasons for the lack of accurate data may be stated as



follows :

1. The majority of the cottage units are in the hands of the illiterate persons who do not keep accounts.
2. Even though the Organisers of certain small scale sectors are educated, very few keep proper record of their purchases, output, sales and costings.
3. Those very few units that have kept proper records are reluctant to show the information for fear of income tax or sales tax assessment.

### Production Figures

Under these circumstances, it is rather difficult to estimate the approximate production and requirements of leather footwear in India. Some authorities have tried to give some figures, but they may be considered rather as guesses than reliable estimates. The Planning Commission in its First Five Year Plan observed that the domestic requirements of leather footwear would rise from 85 million pairs in 1950-51 to about 90 million pairs per annum by the end of the First Five Year Plan i.e. 1955-56. Besides, it has visualised exports between 0.5 million pairs to 1.00 million pairs. They have thus envisaged the production target by the end of 1955-56 at 91 million pairs.

The Commission in its Second Five Year Plan has assumed the total availability of footwear in 1955 at about 88.5 million pairs which include 83 million pairs as estimated production of cottage and small scale sector. Besides, the estimated availability of 88.5 million pairs for home consumption, 1.6 million pairs

were actually exported during 1955. Thus the total estimated production comes to over 90 million pairs which is a little less than the target of 91 million pairs fixed by the Commission.

### Increasing Demand

The Development Wing (Leather), Ministry of Commerce and Industry, New Delhi, in its note on Leather and Leather Goods Industries in India and the Planning Commission in its programme of Industrial Development for the Second Five Year Plan have calculated the estimated demand on the basis of one pair for every 5 persons in the rural areas. They thus calculate the domestic requirements of footwear at about 100 to 105 million pairs per year. The Khadi and Village Industries Commission has estimated that the rural demand during the next five years would increase to 2 pairs for every nine persons and urban demand to 3 pairs for every five persons. In other words, demand for footwear would increase by 12.5 per cent in rural areas and 20 per cent in urban areas. Internal consumption is thus estimated to increase to 116.7 million pairs in 1960-61. In addition to this, there will be 2 million pairs of shoes for export purposes in 1960-61. The Karve Committee in its report on Village and Small Scale Industries (1955) has estimated the demand for leather footwear at 106 million pairs in 1960-61.

The Planning Commission's estimate of demand seems to be a conservative one, whereas the Khadi and Village Industries Commission's estimate seems to be rather liberal. In view of the unreliability of



data for previous years, projections for the future will have to be based on criteria other than statistical ones. The following are the factors which are likely to affect the future demand of leather footwear :

- a) Increase in National Income
- b) Proper organisation of the industry and resulting reduction in cost of production and retail prices
- c) Publicity to make the people footwear minded
- d) Expansion of export trade, and
- e) Development of the Industry on decentralized basis all over the country.

It has been calculated in a study made by the Indian Statistical Institution, Calcutta, that the elasticity of demand for footwear is 1.087 in urban areas and 1.132 in rural areas. That is to say, a 20 per cent increase in overall expenditure per household is likely to bring about an increase in average expenditure on footwear of 21.9 per cent in urban areas and 22.9 per cent in rural areas. A 25 per cent rise in national income and a 20 per cent increase in total consumption have been envisaged by the Planning Commission during the Second Five Year Plan period. A 20 per cent increase in consumption would raise the domestic requirements of leather footwear to about 105 million pairs in 1960-61. In view of the above calculations, it would be reasonable to take the total demand for internal consumption of leather footwear at 105 million pairs and approximately 5 million pairs for export purposes during 1960-61. This

estimated export is based on the following steps taken by the Government to increase the production and export of leather and leather articles :

1. Import of leather and leather goods has been severely restricted.
2. The export of leather and leather goods has been completely decontrolled.
3. In bilateral trade agreements, leather and leather goods are included among the items meant for export and with the object of increasing exports the following steps are being taken :
  - a) Grant of draw back on duty paid on the imported materials used in the finished goods meant for exports, and
  - b) providing facilities for the import of raw materials, chemicals etc., under export promotion scheme.

## Capacity And Production

In 1951 there were 9 large scale leather footwear factories in India with an annual rated capacity of 4.724 million pairs of Western type footwear. In early 1956 there were 12 such units in the active list of the Development Wing of the Ministry of Commerce and Industry with an annual rated capacity of 5.975 million pairs. There has been no real increase in the capacity, only some units already in existence came within the purview of the Industries Development and Regulation Act 1951 and were registered.

As a result of the use of improved techniques and balancing of production, the



Development Wing observed that the annual capacity of leather footwear has increased from 5.975 million pairs to 6.688 million pairs during the subsequent years.

Statewise production capacity of large scale factories are given below :

#### Western Type Footwear

State	No. of Unit	Annual capacity in pairs
Uttar Pradesh	5	2,127,000
West Bengal	1	4,200,000
Bihar	1	nil*
Madras	1	15,000
Punjab	1	8,400
Bombay	1	3,00,400
Mysore	1	1,200
Madhya Pradesh	1	36,000
Total	12	6,88,000

\* This unit manufactures only indigenous types of footwear.

As regards the capacity of these factories for the manufacture of Indian type of footwear, it may be mentioned that the capacity can be increased or decreased according to demand.

The actual production of large scale factories from 1950 onwards as recorded by the Development Wing, Ministry of Commerce and Industry, is given below :

Year	Western type 000 pairs	Indian type 000 pairs
1950	2,837	1,997
1951	3,641	2,074
1952	3,367	1,806
1953	3,348	2,204
1954	3,268	2,063
1955	3,243	2,303
1956	3,620	2,911
1957	4,370	3,038

Reliable production figures for the small scale and cottage units which are responsible for manufacturing more than 90 per cent of the total output are not available and hence a regular study of production trends is not possible. The present output of leather footwear by the cottage and small scale sector is estimated at 85.5 to 88.5 million pairs per annum.

#### Karve Committee's View

The Karve Committee is of the view that no expansion in the capacity of large scale units should be allowed in the Second Five Year Plan period and further a ceiling need not be placed on the utilisation of unutilised capacity by the existing factories. But they should be encouraged to take up as much production of consumer leather goods as possible. It has been suggested by the consumer leather goods as possible. It has been suggested by the Karve Committee that the production of large factories should be stabilised at the existing levels, so that the whole of increased demand may be met by small scale and cottage units.

The Committee has, therefore, suggested that the best and practical way of assisting the small scale and cottage units producing footwear should be to organise them into co-operative societies for the purchase of raw materials and marketing of finished goods and to give them necessary financial assistance in the form of loan for

- i) share capital,
- ii) improvement of equipment, and
- iii) for necessary working capital.

#### Imports And Exports

Imports of Leather footwear have been



very small, but exports have gone up appreciably during the past few years. Imports and exports of Leather footwear as furnished by the Development Wing, Ministry of Commerce and Industry, from 1950-51 onwards have been given as under:

(Quantity in pairs and value Rs.)

Year	Imports		Exports	
	Quantity	Value	Quantity	Value
1950-51	1,460	23,400	6,67,500	31,73,300
1951-52	2,280	9,800	14,65,500	1,22,20,300
1952-53	225	2,500	10,27,100	1,19,29,600
1953-54	465	11,800	12,18,600	93,37,600
1954-55	1,490	34,200	15,70,400	81,59,000
1955-56	1,817	53,324	15,80,317	90,77,204
April-Dec : '56 9 months	474	12,641	14,37,235	92,60,268
Jan : Sept : '57	905	34,351	14,50,544	1,60,55,433

Taking into consideration the estimated demand and the present production as 90-91 million pairs, it is observed that there will be a wide gap of unsatisfied demand of 20 million pairs by the end of 1960-61. As the large scale manufacturers have been prohibited by the Government to increase their capacity, the cottage and industry section will have to meet the unsatisfied demand. This means that there is an ample scope for the cottage and especially village leather footwear sector to expand its activity.

## Raw Materials

The principal raw material for this industry is tanned leather. So far as the footwear industry is concerned 3 types of such leathers are required, i.e.,

- leather for uppers,
- leather for sole,

iii) leather for lining.

The bulk of the upper leather meant for the western type of shoes is manufactured by the chrome tanning process.

The leather used for indigenous shoes is mostly manufactured by vegetable tanning of cow hides. It is harder and less durable than chrome tanned leather. Chrome upper leather is mostly obtained from Chinese tanneries in Calcutta. Vegetable tanned leather is obtained from Kanpur and from up country centres and villages all over the country.

Sole leather is manufactured from buffalo hides by the vegetable tanning process. While the big tanneries fully tan these hides, the local tanners in villages and up country centres tan them by a bag tanning process. The leather produced by the former mostly used in the manufacture of western type shoes, while the latter is



used in the manufacture of indigenous types of shoes. The Shoes and Chappals Manufacturers' Association, Kanpur, have complained that leather is now-a-days being force-tanned with the result that the best sole gives way soon.

**Lining Leather :** Generally sheep skins are used as lining for shoes. The Agra industry obtains sheep skins from Madras. This contains a considerable quantity of epsom salt as an adulterant to increase weight. In a majority of cases this adulteration goes beyond 10 per cent. As a result, they deteriorate. Such adulterated skins are available at low prices. Unadulterated skins are also available in the market, but at higher prices.

**Split Leather:** This is used in the manufacture of leather board and for the puffs and stiffeners. Split leather mainly imported from U. K. under import licence ; but most of the imports are used in the manufacture of leather boards. As a result, small scale and cottage manufacturers who need split leather for stiffeners and the toe puffs get it at very high prices. (Leather board is also used as in sole for shoes).

### Grindery And Miscellaneous Items

These items include light hand tacks, eyelets, stitching threads, lining cloth, leather board wooden heels, steel and bamboo shanks, wax polishes etc. The quality of light hand tacks manufactured in India is not upto the mark and, therefore, they are largely imported. Eyelets are another imported item. Stitching thread is manufactured in India, but really good quality is not available at reasonable

prices to the small manufacturer. Linen thread has to be imported. The manufacture of fibrous leather boards from waste leather and split leather needs to be encouraged. Such leather boards can be used as insoles for shoes and as outsoles for childrens' shoes and chappals. The Central Leather Research Institute, Madras has evolved a simple process of Leather Board manufacture from Leather cuttings which should be further studied and popularised.

The supply of necessary *lasts* for western type of footwear is a great problem. The indigenous manufacture of these *lasts* has been encouraged, but the production is not equal to the demand. Some *lasts* are, therefore, required to be imported. It has been complained by some manufacturers that the imported *lasts* do not fit into the Indian foot shape. They are narrow toes and shoes manufacture on them gives trouble to Indian foot. This matter requires further study and the production of proper type of *lasts* to suit Indian toe shape should be encouraged.

### Employment

There is some evidence that the number of persons engaged in this group of industries has slowly declined during the last 20 years which is mainly due to the mechanisation and industrialisation of the leather footwear industry. The following are the census figures of workers employed in Leather products and footwear compiled by all India Khadi and Village Industries Board and given in their publication "Planning for



Full Employment (1954)".

1901	1,47,987
1911	1,27,717
1921	1,57,401
1931	1,55,992
1951	1,10,725

From the above table it would appear that the chammar community is to some extent shifting to some other occupations. Nevertheless there is at present considerable under-utilisation of capacity and unemployment of workers in the footwear industry. Unemployment and under-employment in the rural areas may be attributed to some extent to the shift in demand towards western types of shoes. The current production of leather footwear by the large scale manufacturing unit is nearly 6 to 7 million pairs out of which 4 million pairs are of the western type of 3 million pairs of the indigenous type.

In order to enable the village leather industry to undertake the entire manufacture of indigenous type of leather footwear, it may be suggested that the large scale manufacturers should be prohibited from manufacturing indigenous type of footwear, which will automatically result in the increased employment in the village sector. By adopting this prohibitory policy, it may be argued that the workers who are at present engaged in the indigenous types of footwear in the large scale units, are likely to be displaced; but these displaced workers, in our opinion, can be engaged in the manufacture of western

type footwear for export and increased home consumption, and footwear required by the Ministry of Defence and in the manufacture of industrial leather goods. Further, there is a wide scope for exports of shoes in the near future. It is, therefore, suggested that the large scale manufacturers should undertake the export of shoes of required quantity and of required specification. Further they can also switch their capacity on to industrial leather products. This will, therefore, not affect the existing labour force in factories and will, on the contrary, give an impetus to the Village Leather Footwear Industry.

### Measures Of Protection

In an agricultural country like India, the utility of leather was more prominent for agricultural purposes such as water-lifts (motes), leather ropes and other agricultural requirements; but, due to the increased use of water wheels and other types of good ropes, the use of leather for this purpose in villages is dwindling. It has been observed that many village chammars have been thrown out of employment due to this change over. In order to find work for these people, the only alternative is to encourage the use of footwear among the village population in general. But the village leather footwear industry is still in its infancy. Further, with the advent of large scale manufactures, this industry is faced with severe obstacles and has remained stagnant. It is, therefore, the paramount duty of a democratic Government to follow the policy as enunciated by Mr. F. List: "Nurse a Baby, protect a



child and free an adult". As the village footwear industry is an infant industry, it needs adequate protection from the Government against the competition of the large scale manufacturers. The Government should, therefore, protect the village leather footwear industry by adopting following measures :

1. Complete ban should be enforced on the manufacture of indigenous type of footwear by the large scale manufactures. As a substitute, the large scale manufactures should be impressed by the Government to utilise the idle capacity of the plant by stepping up production of industrial leather goods. The large scale manufacturers can utilise the idle capacity for the manufacture of foot-wear which are in more demand in the foreign markets and for the Ministry of Defence. The existing installed capacity will be utilised and the labour force in the factories will be unaffected. Further, this will encourage the village chammars to take up the entire work of manufacturing indigenous type of footwear. If this

scheme is implemented and given effect to, the standard of living of the chammars will be raised from the present deplorable condition.

2. Adequate finance should be provided to the village chammars for purchase of raw materials, equipment etc. and improved technical knowledge should be imparted to them.

If these measures are taken, it is hoped that the village footwear industry will not only meet the current demand, but will also meet the expected increase in the demand for leather footwear. The growth of village leather footwear industry will provide occupation to the village artisans. If the village leather footwear industry is developed in the manner suggested above, it will encourage decentralisation of production, avoid the social evils attendant upon concentration of large industrial enterprises in a few hands in some selected towns and cities. It would, in turn, lead to a more equitable distribution of the national income thereby facilitating the effective mobilization of existing resources.



# VILLAGE BLACKSMITHY AND CARPENTRY

(By PREMA NADKARNY)

Week in week out from morn till night  
You can hear his bellows blow ;  
You can hear him swing his heavy sledge,  
With measured beat and slow,  
Like a sexton ringing the village bell,  
When the evening sun is low.

And children coming home from school  
Look in at the open door ;  
They love to see the flaming forge,  
And hear the bellows roar,  
And catch the burning sparks that fly  
Like chaff from the threshing floor.

—H. W. Longfellow

Next to basketry, blacksmithy and carpentry are said to be the oldest of rural crafts. Although these are termed crafts, they had, in the early times, more of the industrial aspect than the artistic, lending their two-toned feature for a regional self-sufficiency.

This was the village that was when the farmer came to the village blacksmith to get his sickle welded or brought his horse to fit a shoe, or his wheel to fit a spike or even a pan to seal. And in his work, young twany hands assisted an apprenticeship to serve the best years of their life.

As skill with tools advanced and barter grew, trade developed and work spread. The village industry crept into the towns;

magnetized by power, and the fields remained with the farmer. He could no longer walk next door to service his tools, for the village blacksmith worked no more under the shade of the tree.

To revive and develop the lost atmosphere, efforts are being threaded on to the village plans on a national scale and the Khadi and Village Industries Commission to deal with it directly.

## Our Scheme

Until recently the development of blacksmithy and carpentry as a village industry was not taken up because it was proposed to be under by the Indian Council of Agricultural Research whose workshops were designed to train village



artisans in repairs, maintenance, and manufacture of implements. In 1957-58, the Central Government sliced out with financial assistance to the tune of Rs. 2,20,000 grant and Rs. 2,00,000 loan for the Khadi and Village Industries Commission to develop blacksmithy and carpentry in rural areas. It specified that development was to be organised through the establishment of workshops and allowed the use of power for manufacture of Ambar sets only. According to the scheme drafted by the Commission, these work-shops would be located in Intensive Areas having facilities of raw material and transport. A staff would tour and organise production units and also supervise them. The training period for unskilled artisans would be 12 months with a stipend of Rs. 75 per month. At the end of the training period, each trainee would be supplied with a set of tools to enable him to start his own business. The workshops would train 10 candidates in the 1st year and double the number the next.

### Model Centres

A programme for organising 8 Training-cum-Production Centres was decided upon as an initial step. These units were given a grant of Rs. 1,60,000 and a loan of Rs. 1,50,000. The scheme for the Intensive Area included a central workshop directly under the control of the Organiser. It is an experimental scheme directed towards improvements in implements already in use, while the Model Workshop would be run by the State Board or Institutions.

In parts other than the Intensive Areas, they would have an additional section

called Central Coordination. The central workshop here would, like those in the Intensive Areas, experiment with and effect improvement in implements already in use and pass on the blue prints to Model Workshops. And, as work in the central workshop expands, the results obtained would be passed on to smaller workshops to be established in villages. Model Workshops would bring into being village workshops making groups of villages self-supporting.

Work is on its way, keeping within its scheme-tracked boundary. But the Scheme is drawn up as an experimental one and would be worked on a trial-and-error basis before it is perfected for planned development.

### In England

Abroad, in England, such workshops are common in the countryside sponsored under the guidance of the Rural Industries Bureau. But their range of activity is wider. Craftsmen of the rural area seldom know anything about practices in other places that differ from their own. So that, an up-to-date training is necessary to help them get over this handicap. These workshops, besides including introduction to new equipments, methods and instruction in its training scheme, conduct short-term courses in accounts, correspondence and general business methods, including calculation of costs, keeping records, etc. Experience gained this way helps them adjust to the standard of work demanded in the cities as well. Commercial firms may not give a lad such a wide training in his probationary period because they are bound to consider the usefulness



of an apprentice in their business. So, such schemes will help him certify himself towards a better chance of employment. A wide ranged training helps him acquire a wide skill of the hand and eye, an alert mind and general understanding of the trade. Most of these schemes relate to blacksmithy, watermills, tanning and leather craft, country hemp and flax weaving, carpentry, basket weaving, thatching, brick and tile making, earthen ware, pottery etc.

This Rural Industries Bureau set up in 1921 has its staff all over to help the village craftsmen. The organisers keep in touch with local craftsmen, study their work, report and prescribe ways to improve efficiency through guidance. They arrange for Bureau instructors to visit the workshops and give demonstrations which last for a number of weeks. Too low or high price differences between works of fellow craftsmen is discouraged as not being a fair way of business. Thus standardisation is worked out in price lists. They are also shown how to bring down the cost of work by buying material more cheaply, quicker methods of production, use of improved tools, layout of shops etc.

The frame work of the Bureau organisation is elastic and differs from village to village. Some have their own local newspapers, illustrated magazines, instructive folk museums and exhibitions, loan exhibits and photograph. They conduct conferences of craftsmen. The Bureau is doing very interesting and valuable work entirely encouraging to the rural craftsmen who need a link to the cities.

#### **What We Can Do ?**

We can incorporate certain of the

salient features of the English Bureau and adapt them to our needs and conditions. Once the training centres are established development work does not end there. The business side (very often neglected) is an important study. It is not enough if a trainee acquires skilled craftsmanship, but he should be able to understand his trade. He must know principally that work is done to supply a real want at a price that the person who wants it is willing to pay or else his will turn a leisure occupation that does not bring in money for the necessities of daily life. And as a craftsman has to find money to keep him in business, he has to do the kind of work that pays him and to understand good business as well as the skill of his craft.

However, he should remember that it is not good for a small country business to attempt the kind of work that can be done better or more cheaply in a big factory. He should be able to turn out from his good small workshop useful work of a different kind and not that which is likely to compete in the large factories. The key should be small quantity of better goods, that which will not turn his business next door. He must look for better trade facilities than hawking them himself.

Then, such workshops will turn out craftsmen who will build a good reputation among their neighbours. Men who can do the spot and know what is wanted, get the work done promptly.

This is the type of craftsmanship that is required in the village.



# PROSPECTS OF HANDMADE PAPER INDUSTRY

( By G. H. DESAI )

The Handmade Paper Industry, though not as ancient as the cotton textile industry, was one of the main cottage industries of India. It enjoyed royal patronage from Muslim as well as Hindu rulers and catered to both official and non-official requirements.

In the good old days this Industry was wide-spread throughout India and enjoyed immense popularity. It captured markets and provided employment to thousands of people, so much so that a separate group of artisans known as 'Kagadis' had grown up in the society. They continued to practise this art from generation to generation with the patronage of the intelligentsia and rulers.

## Onslaught Of Mills

With the advent of the British, this industry was totally neglected and the 'Kagadis' were thrown out of their occupation and trade. The gradual rise of large paper mills in India further hit this cottage industry adversely. Still, the Handmade Paper Industry survived the onslaught of the large scale industry though in an attenuated form. The credit for this goes to the 'Kagadis' who were scattered in a number of places in India and carried on their work against heavy odds.

After the attainment of independence, our National Government started re-organising and rehabilitating this industry

through the All India Khadi and Village Industries Board and the Khadi Commission. The basic idea of schemes and programmes pertaining to the Handmade Paper Industry is to increase the productive potential of the production units as well as to increase their employment potential among the village inhabitants.

During the last five years the All India Khadi and Village Industries Board and the Khadi Commission have helped the various centres by giving all facilities, financial as well as the technical, for the promotion of this industry. The results are also encouraging. Till now about 152 production centres have been established in the different States of India. They are exploiting the available raw materials in the respective states. The State-wise break-up of centres is shown in the following table :

States	No. of Centres	States	No. of Centres
		B. F.	92
Andhra	13	Mysore	9
Assam	4	Kerala	9
West Bengal	12	Orissa	3
Bihar	4	Punjab	6
Bombay	37	Madras	21
Madhya Pradesh	6	Rajasthan	6
Uttar Pradesh	14	Tripura	3
Manipur	2	Jammu & Kashmir	3
		Total	152



Artisan in different areas have been working in this industry forming their co-operative societies. This industry has given employment to about 3,000 workers. Gradually this figure is expected to rise and provide employment to more people.

In spite of the onslaught of the mill made paper handmade paper has its own place in this country's need for special quality, known for its strength and durability in the paper market. In its inherent quality, it beats millmade paper. That is why this industry can be relied upon as a vital source of supplying paper for permanent records.

It is necessary to study the present position of the mill-made paper industry, in India. The Government of India as it is the largest single purchasing unit of paper in the country. The following table will give some idea of the production of paper in India.

### Paper Production

Items	Actual Production	Installed capacity 2,50,000 Tons
Writing and Printing	1,26,560	
Wrapping Paper	38,016	
Special varieties	7,200	
Boards	38,400	
Total ...	2,10,176	

As the production of paper is not adequate to meet the Government of India

imports the following varieties of paper :

### Imported

	Quantity (Cwt.)	Cost (Rs.)
Account Book Paper	30,178	10,00,000
Air Mail Paper	2,565	3,17,616
Azure Laid	5,984	7,83,936
Bond and Bank Paper	63,000	56,30,000
Cream Laid	790	—
Drawing Paper	2,881	4,17,775
Manifold	9,163	7,27,800
Kraft	1,42,238	92,26,641
Brown Wrapping	4,851	3,92,960
Tissue Coloured	21,776	28,34,935
Tissue White	47,430	4,47,171
Packing and Wrapping	23,731	18,20,778
Duplex and Triplex Boards	21,792	12,48,411
Grey Boards	—	25,844
Corrugated Boards (including Card Boards)	16,589	13,16,480
Paper Board	13,623	5,14,970
Cloth Lined Paper	198	77,914
Blotting	992	1,51,770
Filter	672	2,87,554
	4,08,453	7,14,32,616

From the above it is clear that the requirements of the people and Government are very huge as compared to the production of the mills. In fact the mills which are about 24 in India, are not able to cope up with the increasing demand of paper from the country. Though their installed capacity is about 2,50,000 tons, their production is only 2,10,000 tons. In this context the potentialities of the handmade paper industry should be recognised.



Handmade Paper Industry can manufacture Printing and Writing Paper, Board, Marble, Cloth Lines, Blotting, Filter and other high grade papers and can save Rs.3.25 crores in foreign exchange.

Of course, there are difficulties in the way of developing this industry. They are organisational, technical and those pertaining to marketing. But they are being overcome gradually. Regarding organisational difficulties, the Khadi Commission is doing its best to remove them and set the industry on a proper footing. The Commission is extending technical help by appointing technically trained Supervisors at various production units. Looking to the development and progress made during the past few years, it can be safely said that this industry can come up again.

Regarding the marketing of handmade paper, some people complain that it is costly and its prices do not compare favourably with the mill-made paper. Therefore, it becomes difficult for a dealer to push its sales in the market. Secondly the quality of the paper always varies from one consignment to another. The thickness of this paper also differs from one sheet to another and this hinders the smooth selling of handmade paper. It is true that the cost factor is the main cause which impedes rapid progress of the hand-made paper industry. This can be eliminated in course of time.

### Government Requirements

While studying the cost structure of the handmade paper production, it should always be borne in mind that it mainly depends on the quality of the raw material used in making the paper. Handmade paper

is distinctly divided in the following grades according to the raw materials used in their production.

- |                            |  |
|----------------------------|--|
| 1. High-grade              | All rag-like bond, drawing, ledger, document, certificate etc. where permanence and durability are required. |
| 2. Blotting paper          | paper waste etc.   |
| 3. Board and Straw Boards. | Grass, paddy, etc.   |
| 4. Utility paper           | Waste paper a small percentage of rag.   |

Where only rags are used the cost is bound to be higher. Its cost ranges from Rs. 1-8-0 to Rs.2 per lb. and it may be sold from Rs. 2-8-0 to Rs. 2-12-0 or Rs. 3-0-0 or Rs. 3-8-0 per lb. This is high-grade paper and should be compared only with its imported counter parts. It is found that the price of imported handmade papers are higher. Therefore, there should not be any difficulty in selling such paper.

Looking to the total requirements of the Government of India regarding handmade paper, the task before us is huge. About 900 to 1000 tons of blotting paper, besides other high grade papers such as drawing, bond, ledger paper etc. of about 700 tons in the aggregate are required by the Central Government alone. The State Governments also need large quantities of high grade papers well as other varieties of handmade paper. Life Insurance Corporation of India also forms a huge source of demand for handmade paper for their certificates and documents. Besides the various Universities in India have to depend on this



kind of paper for degree certificates. There are semi-Government institutions whose requirements are also huge. Besides the Government, the Khadi and Village Industries Commission is the largest consumer of handmade paper. As the Government of India has put a ban on the import of handmade rag paper by their notification in the import trade control schedule, possibilities of boosting the sale of handmade paper have gone up. This reveals that the scope for the manufacture of handmade paper has increased manifold and the Khadi Commission and the production-units should discharge this responsibility with proper planning and by adhering to the schedule of production.

### Increased Demand

Taking into consideration these increased demands from all quarters and comparing them with the present productive capacity of the existing handmade paper centres scattered all over India, we feel that there is a large scope for this industry in the years to come to develop to its maximum to be able to fulfil the country's requirements. At present our capacity of production is limited. There are only 15 centres which produce about 100 tons a year if they work to their installed capacity. Still, about 300 tons are to be produced to be able to meet the requirements of the Government alone. This is a golden opportunity for this industry to show its merit and make the best use of it.

The important factor of avoiding competition with mill-made paper is that all the handmade paper centres should pro-

duce such types of papers are generally produced by the paper mills. The following varieties may be produced by the Handmade Paper Industry to avoid any keen competition.

- i) High Grade Paper : All rag, Drawing, bond, ledger documents certificates, filters, and water mark paper and air mail etc.
- ii) Blotting : This variety also can be taken up by the Handmade paper industry with advantage.

If this industry has to thrive by avoiding the competition of the mills, only high grade paper manufacturing will be advisable because the above qualities are seldom produced by the mills, and if they at all produce they are not as durable and strong as handmade paper.

Regarding blotting paper it cannot be said confidently that the production of this variety will help this industry in establishing itself on a more solid foundation. The mills should be prevailed upon to spare their quota of production of similar stuff to the extent of the productive capacity of the handmade paper centres. If such protection is given by the Government, then alone there is some chance of getting due benefit to this industry.

**Utility Paper :** This kind of paper is neither a completely high grade nor a low grade paper. It is somewhere in the middle between the two. It is neither durable nor has strength. So it does not possess any special quality which high grade handmade paper possesses. This paper has market now only because the Khadi Commission is purchasing it in bulk irres-



pective of its cost and quality. To encourage the industry in its initial stages this type of support and patronage may be necessary. The units producing this kind of paper will have to stand on their own legs. They should, therefore, effect improvement in their products.

In other countries like Japan, as Shri P. S. Kapadia, Member Secretary, Khadi and Village Industries Commission, revealed in a meeting of the members of the survey committee, held in Bombay in the month of December, 1958, there was no place for competition between the organised and the small scale sector, because the mills produced altogether a different type of paper which handmade paper did not produce. Both these industries have different products of their own to sell. They never compete with each other. Thus in Japan both these industries, mill and cottage industries, go hand in hand without being detrimental to one another. In fact, they are complementary to each other. If we also follow the same method may not have to worry about these problems.

### Potentialities

**Boards And Straw Boards :** Manufacture of these types by handmade process does not show promise. They may land this industry in financial difficulties. So long as it is patronized and supported by the Khadi Commission, it can run; but the moment it steps into the market on its own legs it will face a stiff competition. In the initial stages centres may produce this type of paper. If this

quality is to be continued by the Handmade Paper Industry, the Khadi Commission should strive to reserve this type of paper for our industry. Then alone this may prove beneficial.

It is clear that handmade paper industry has vast potentialities and it can be set rolling if certain reservations are guaranteed by the Government regarding particular varieties of paper to be produced by cottage industry only. But so far as the high grade paper manufacture is concerned, this industry will not have to face any keen competition from the mills. So long as the imports of the varieties of similar handmade paper are restricted, high grade paper production will enjoy the full benefit of the market.

The Khadi Commission envisages that ultimately every centre should be able to produce high grade paper, and on this basis alone the Commission extends financial aid to various centres, though lower quality paper is allowed to be produced in the earlier stages of development.

Handmade paper is definitely strong and durable owing to the special processing in its manufacture. Superior varieties such as drawing, bond, documents, ledgers and currency paper, requires the touch of human hand at various stages of manufacture. Therefore even the most sophisticated foreign countries patronize the use of handmade paper. It is needless to say that we must also pay more attention to the merit and potentialities of the handmade paper industry and nurture it to come into its own.



# KHADI & VILLAGE INDUSTRIES BOARD

Constituted under Clause 10 of the Commission Act

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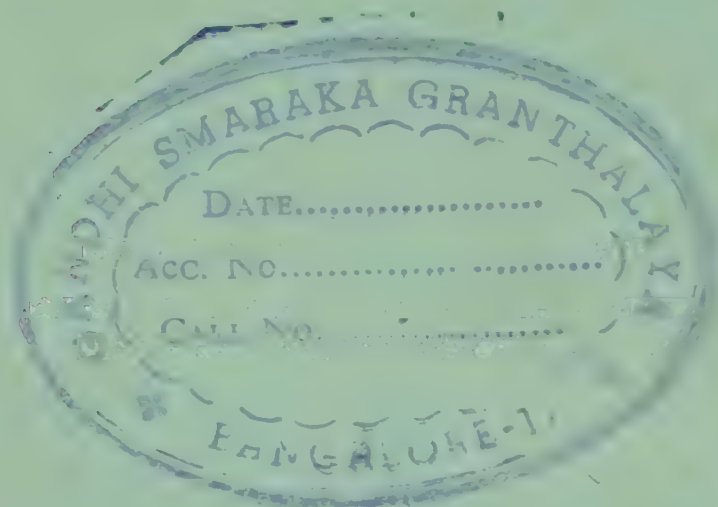
## WORK, NOT DOLES

"Why should I who have no need to work for food, spin?" may be the question asked. Because, I am eating what does not belong to me. I am living on the spoliation of my countrymen. Trace the course of every piece that finds its way into your pocket, and you will realize the truth of what I write.....

I must refuse to insult the naked by giving them clothes they do not need, instead of giving them work which they sorely need. I will not commit the sin of becoming their patron, but on learning that I had assisted in impoverishing them, I would give them neither crumbs nor cast-off clothing, but the best of my food and clothes and associate myself with them in work.....

God created man to work for his food and said that those who ate without work were thieves."

—Gandhiji.



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